

SUCCESS IN BUSINESS

AND HOW TO ATTAIN IT

REFERENCE

Contributions by
EMINENT BUSINESS MEN

Edited by H. Simonis

WITH PORTRAITS

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W.H. Lever

CHAPTER I

LOOKING AHEAD

By SIR WILLIAM LEVER

Head of the great soap firm of Lever Bros., Ltd., with its world-wide ramifications.

THE effect of the war on business must clearly be divided under many heads. It is a question that has many sides to it.

To-day the business world is nervous and anxious in conditions so new to it.

So the first step towards the restoration of trade will be the restoration of the normal sentiments towards business.

Well, this condition of things may be regarded as accidental. The recovery will come, as I have said, with the restoration of a normal sentiment towards business.

Of course, we must expect that for some time after the war, Germany and Austria will show a bitterness towards British goods. But that will pass away. Germany and Austria and Great Britain will not always be enemies. One day we shall all be friends again. And whatever bitterness may be displayed towards our goods in the German and Austrian markets, it will be more than made up by the increased friendliness towards us of Russia, Serbia, Belgium, France, and other countries with whom we have acted in the war. Our business losses due to the war will be more than regained by our business gains due to the war.

So much for the future.

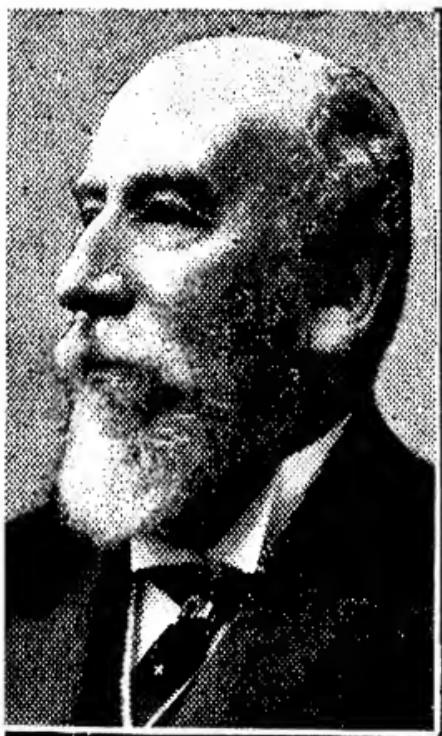
The advertiser, however, is concerned with the effect of the war on trade to-day. In the present humour of the public, his problem is to create a new impression : to make the people change their habits. All advertising is an attempt to change the habits of the people, either by substituting for something they use something similar to it, or by persuading them to use something that is quite different. I try

to make people change their habit of using somebody else's soap into a habit of using my soap. That is the science of advertising in a nutshell—changing the habits of the people.

There is no doubt that bold advertising is essential for the manufacturer. The man who spends nothing in advertising is not giving his business a fair chance. He must let the merits of his goods be known. And if he desires to make a general appeal to the public on behalf of what he has to sell there is no better medium than advertisements in the daily Press. For purely local advertising posters are best, but for making a wide-spread impression you must advertise in the daily papers.

An advertisement which is printed in London overnight and is in circulation next morning in Scotland and all sorts of other far-away places is a very powerful medium.

Although it has to be remembered that the size of the circulation of a paper is not everything, it is circulation plus influence that tells. A man is very often unconsciously influenced in favour of an advertisement by the standing of the paper in which he is reading it. That is a very important consideration for an advertiser to study. A paper that circulates among readers of a solid and thoughtful character gives more weight to the advertisements it carries than one which sells, perhaps, to a larger public, but to a public of a lighter habit of mind.



R. Burbidge

CHAPTER II

ADAPTABILITY IN BUSINESS

By RICHARD BURBIDGE

Managing Director of Harrods, Ltd.

BUSINESS, needless to say, has been going through a very curious experience during the past few months as the result of the war. Entirely new problems have been sprung upon us, difficulties never before encountered have had to be overcome. All the resource

and courage of which the trading community is capable have been sternly taxed.

In my opinion, however, we have now got over the worst part of the ordeal, and are justified in congratulating ourselves upon the comparative lightness of the damage suffered.

A business like Harrods' is divided into two sections : first, necessities of life, and second, what are called luxuries, though they are really necessities of comfortable and happy living. The necessities side of the business looks after itself. The other side has to be brought to the notice of the public, first to let them see that such things exist and that we keep them, and second to tempt them into becoming possessors of them.

Owing to the war the demand for the second class of goods is modified. There has been a general carefulness exhibited beyond what is ordinarily found. The usual social functions of the season are not proceeded with. From a fashion point of view business has flowed in more constrained and modest channels.

It may be interesting to record that the experience of Harrods has shown no reduction in the number of purchases, but a change in the style of the purchases. I will instance the case of clothes. As a matter of fact, people look just as nice in simple clothes as they do in elaborate clothes ; but it is according to the human nature of the modern woman that she should require elaborate clothes and a frequent change of them. That is in ordinary times. But in war time,

women, without dressing less well, are confining themselves to simpler forms of attire.

The result is that the big store, devoted to supplying "what the public wants," will cater for the changed demand by supplying beautifully tailored, but simpler and less expensive clothes. The same principle applies to all departments. The moral for the trader of to-day is that he should direct his efforts to supplying the modified needs of the public with no less energy than he did to supplying the more elaborate needs of other times.

From the store point of view there is nothing in the situation caused by the war to justify despondency. One section of the business will improve as another will decline.

As an example of how Harrods has endeavoured to adapt itself to the changed needs of the times, I may mention the furniture section. That is a class of trade which depends largely on marriages, and, as everybody knows, the number of marriages since the war has been reduced considerably. But the loss of business in that direction has been made up by hospital catering. Lots of people have been having single rooms in their houses fitted up as convalescent rooms, and here we have developed a useful outlet for the activities of a department which, otherwise, the war would have seriously embarrassed.

Or take the fur trade. This is the season of the year when, normally, we sell lots of rich furs. That trade has, of course, been considerably reduced. But, on the other hand, we have made a great success

with a fur-lined sleeping bag for the use of officers in the trenches. It is our own creation. The outside is of water-proofed balloon silk, and the whole thing is so light, as well as warm, that it can be rolled up in a valise. Thus we have displaced the old sleeping bag, that was so heavy it could not be moved about. We have supplied "what the public wanted."

If I were asked, then, whether business in war time offered less reason for advertising, I should reply that on the contrary, it offered more, provided the advertiser is able to maintain a steady supply of goods for which there is a demand. Admitted that the purchasing power of the public per head is likely to be less : the greater need, then, to attract more purchasers. People still want the things they have always had, and so long as they can get them they will still have them.

I therefore consider the wisest course for the ordinary trader is to make the occasion one for enhanced efforts, both in showing his merchandise and in advertising it. And as to the advertising of it, the best medium for that will still be the daily Press, in war time just as it is in peace. I say that the daily Press is the most desirable medium because it enables him to "turnover" his merchandise more quickly than any other form. It gets his advertisement about in a manner more widely than any other. Some papers, such as *The Daily News*, are printed in London and Manchester simultaneously, and thus an advertisement printed in them will have penetrated on the day of publication throughout the United

Kingdom. That is a very powerful consideration which needs no emphasis on my part.

Every individual trader, however, will make up his own mind about that. The main object of this article has been to convince its readers that the present time is not a period for despondency and inaction. The public is still full of "wants," and the trader with adaptability and enterprise will be well rewarded by employing them to the full rather than allowing himself to be misled by the croakers.

A large, flowing cursive signature in black ink that reads "H. Gordon Selfridge".

CHAPTER III

WHAT THE PUBLIC WANTS

BY H. GORDON SELFRIDGE

Head of Selfridge & Co., Ltd.

You ask me what is the best way to ascertain what the public wants. But there is a very essential preliminary to be settled before that problem is tackled. It is this: you must have something to sell.

which you believe to be good. It is no use trying to foist on the public things that are no good. So it is well to begin by recognising that whatever it may be the public wants, there is one thing it certainly does not want—that is, bad goods. The business man has got to treat the public with respect. But, given a really good article, I do not believe a smart man ever encounters much difficulty in selling it, always provided that he goes the right way to work. In other words, if he cannot sell it, he must consider his methods at fault, not the taste of the public.

The next problem to be considered by the man with something to sell in which he believes, is the best way to obtain the public verdict upon it. Is it "what the public wants"? I have no hesitation in saying that the best medium for approaching the public is the daily newspaper. It has a far larger circulation than any other medium. We have to remember that a large percentage of such advertising matter as circulars and catalogues is thrown away and wasted. That is why I object to the use of catalogues on the scale adopted by some of the big departmental stores. Too large a proportion is wasted, and it is a form of waste which is very expensive.

Now with a newspaper having a very large circulation, like *The Daily News*, the proportion of wasted advertising matter is comparatively small. After you have allowed for what is thrown away, there is enough left to make it well worth while. In a sentence, the waste is much smaller and it is much cheaper.

Having settled, then, what is the best medium for

discovering what the public wants, the further question arises, What is the best use to make of it ? Naturally, I can speak best as to that for my own kind of business. As, no doubt, the public has noticed, Selfridge's makes extensive use of a series of large display advertisements. Readers of particular newspapers will get a succession of these big advertisements, each giving a large quantity of different information about what we have to sell.

This giving of information in advertisements is, to my mind, very important. Information is strangely lacking in a great many advertisements, even in these days. An advertisement should be made to be worth reading. We think the public to which we appeal is ready to read intelligent advertising rather than a mere catalogue of stuff. It is a danger of the advertisement writer that he tends to dissociate himself from the public, because he is a specialist and looks at things from the specialist's point of view.

The advantage of taking a large space is the very simple one that it secures the readiest attention and gives us more opportunity to interest the public. We can put a lot of things into it and if one thing does not interest the reader there is almost sure to be something else that will. Thus, every inch of the space taken returns real value for the money it costs.

It may be argued that while this is very well for the man with a large capital behind him, the small man is not in a position to pursue these methods. It is true, of course, that everything must be regarded in its due proportions. But my argument still remains,

that liberal newspaper advertising is essential to success. A man with £100 to spend on advertising cannot expect the same return as the man who spends £100,000, but he will get one-hundredth part of it, and that will be proportionately as valuable to him, if only for this reason—that his newspaper advertising assists that “word-of-mouth” advertising which is much more valuable to the small man than it is to the man with a trade stretching all over the country. It starts one man telling another, and the other man telling the next, about the excellence of his article, and as I say, that is the very best kind of advertisement the small man can have. It is more convincing than sheaves of catalogues and circulars and posters.

War time or peace time, there are always many things the public wants ; and in war time, just as in peace time, by far the best way to find out what it is the public wants is to advertise through the daily newspapers. (The newspaper goes all through the community. It appeals to a vast number of different readers, with all sorts of different requirements.) It is very strange if every one of them cannot find something in an intelligent advertisement that appeals specially to him or her. The circular, the catalogue, the addressed letter, the poster—they all have their uses : but to really get at the desirable end of this great city of London is a very big undertaking, and nothing will do it nearly so well as intelligent advertising in a daily newspaper.



John Lawrie

CHAPTER IV

HOW TO CAPTURE TRADE

BY JOHN LAWRIE

General Manager of William Whiteley's, Ltd.

THE life of a great store is one incessant effort to capture trade. All the multifarious activities which it houses are bent towards that end. The countless wheels of the vast machinery are now turning at the direction of that purpose.

Our business has three main sections.

Firstly, there is the household section, which deals with catables, domestic commodities, and so on. Secondly, there is the fashion section, devoted to ladies' dress and personal requisites generally. Thirdly, there is the furnishing section.

We came to the decision when war broke out that it was not a time to relax any effort. We have tried to conduct our business in the usual way, by putting all we know into it. We have endeavoured to induce our customers to go on living in the same way, buying hats and clothes just as before, for we felt that any lessened output in those things meant less employment for the dressmakers and the milliners, and unemployment is about the worst thing that could happen in war time.

That people have in fact spent less money on these things has not surprised us, but we have been gratified to find that the number of customers has kept up.

At first people were a bit scared. But after a month of war they settled down to normal ways, and at the present time it is really marvellous the way they are going about as if there was no war at all. They come to the store, and they buy, as numerously and as frequently as ever. Except that slightly less was spent, our Christmas trade was as big as it was the year before. Some days we had between 30,000 and 40,000 people here.

Now, I attribute a very great deal of that happy result to the fact that from the time the war started we did not cut down our advertising at all. I am convinced that if we had done so we should have been

in a very much less fortunate position at the end of these first six months of war.

It might also be useful to the trader if I remarked on the value of giving explicit information in an advertisement. We have always made a point of advertising moderately-priced articles, with full particulars of colour, composition, width, and so on, as readers of *The Daily News* will have noticed in our frequent advertisements in that newspaper. We attach great importance to accuracy, for the British public is, on the whole, a very solid one, and severely resents being taken in by untruthful advertising. Whiteley's has always prided itself on its reputation for value. To consistently sell goods at the lowest possible prices is the finest "draw" in the trade to-day.

And while I am on this question of advertising I would add that there is bad as well as good advertising. The trader who is out to capture trade has got to think about the kind of medium which each particular newspaper is. It matters less to him that the newspaper sells an enormous number of copies, than it does that it circulates among the right people. One paper may be much more valuable to the advertiser than another which has a larger circulation, because its readers are people who take it more seriously and are more disposed to act on the advertisements they find in it.



CHAPTER V

KEEPING BUSY

BY JOHN MORGAN RICHARDS

Head of the well-known firm of John Morgan Richards and Sons, Manufacturing Chemists and Export Druggists

WHEN war was declared the very first to receive a blow in the "income department" was the newspaper Press of this country.

Who can ever forget the thin and emaciated appearance of our great dailies, and even illustrated papers, during the first three to four weeks of the fateful month ? The large advertisers were the first to " strike their colours " and call a halt and armistice. Their attitude was sound and correct. The public were stunned and dazed. This was not a time to consider buying and selling. If tailors had offered dress suits at two guineas, and automobile manufacturers and pianoforte makers suggested orders at half usual prices, no sales would have been effected. There was in some quarters a scramble to lay in food supplies, but, apart from urgent necessities, no one was prepared to invest a penny in anything. Of course, " advertising " was quite out of the question. The Press had an enormous demand for their papers, but papers cannot be produced for the selling price, and without the usual advertisement support their existence would depend upon how long their capital and resources would last.

My own views at the time were extremely optimistic as to an early resumption of fairly normal conditions of publicity. I am old enough to recall and to vividly remember the " position " of advertising at the outbreak of the great Civil War in America, 1861-5, at which time I was engaged in the same enterprises as command my attention to-day. Everybody was alarmed and disturbed, and there was a general feeling that business was falling to pieces, and every sort of commercial disaster was predicted.

What happened ? Very soon indeed people began

to think things over. We knew we should win, and the war could not last for ever (it did last four years though), and life was worth living. Only a fragment of the great population of the country could be actively engaged in the conflict. Everybody would still have to eat, drink and wear. Our army requirements were enormous, supplying employment and income to thousands. American citizens began to wake up to the fact that "business as usual" and normal living as usual could be resumed with advantage, and acted accordingly. The actual development after the first four weeks of that great war was that employment was in a very sound condition, and at better wages. The families of soldiers were in receipt of more money than they ever had in hand in times of peace, and expended it. I may add in a single sentence that "trade and traffic" never flourished and prospered as during those four terrible years, nor did it fall flat when the war was over.

With the American War precedent in my thoughts, I was never for one moment in doubt as to our policy in reference to our resuming our advertising engagements promptly, and we did so. The British Newspaper Press will upon examination show that the largest firms who have in times of peace used the Press for their announcements have practically resumed their space contracts, and move along with their publicity in all directions as strong as ever.

Our most useful service is to "keep busy." Advertise as usual and buy advertised goods,



Herbert N. Casson.

CHAPTER VI

PREPARING FOR THE FUTURE

BY HERBERT N. CASSON

Lecturer of the Sheldon School of the British Empire

WHAT opportunities there are! Here is England more popular than she ever was before in the history of the world. A popular England—it seems a dream! But it's true. England is idolised by all the small nations as their rescuer and defender: the heroine of the

neutral world. Never in history was there such an opportunity for her to capture the world's trade. There isn't a corner of the world where she won't be welcome. China, freed from the German menace, will turn gratefully to England. The German monopoly of trade in South America will be broken in England's favour. England will be the centre of a circle of friendly nations. Is Belgium, or Russia, or France, likely to put hostile taxes on British goods any more? Ask yourself.

Imagination will suggest these things to the business man—practical imagination. But practical imagination has always been the weak point of the British business man. He looks at the business he has got. That's the death of business. He ought to look at the business he hasn't got, and brood over the goods he hasn't sold. I hear people talking like this—"I sell cotton," or "I sell steel rails," or "I sell furniture . . . so I can't advertise." Nonsense! There is nothing that can't be sold by advertising. I could sell the City of London by advertising. And there is nothing sold that couldn't be sold better by advertising than by any other way.

(If I were an English business man, the first thing I would do would be to go out and buy a globe. I would sit down and figure up how many people there were to every nation on it, and then find out how many of them I sold to.)

The job wants doing professionally, intelligently, this job of going after the trade that Great Britain hasn't got. If Germany doesn't know a thing, she

finds it out. If England doesn't know a thing, she thinks it isn't worth knowing. All over the world I have met Germans hunting for facts. One of Barrie's characters in "What Every Woman Knows" says that a Scotsman on the make is a grand sight. A German digging for facts is another.

Lord Moulton said the other day the Englishman won't study. If he would add the capacity for study to his natural genius for doing things, he would never fear a rival. The Englishman was the first man in the world to learn manufacturing. His steamships and his railways and his roads are the best anywhere. There is nothing anywhere to beat England's Mauretania, nothing anywhere to beat England's express trains.

But something is missing. Think of this. The first six or seven reapers were invented in England and Scotland. They attracted scarcely any attention, and now the business of making reapers is practically monopolised by America. The Harvester Co., of Chicago, keeps an Invention Department with 200 inventors and designers. Fancy a British company with an invention department!

The first Adding Machine was made by Babbage in England. The English business man didn't appreciate it, and most of the adding machines in England to-day were made in Detroit. In the United States Government offices there are 1,287 of them; in the British Government offices there are 73.

The secret of making aniline dyes was discovered in England—and sold to Germany because England

hadn't the imagination to see the value of it. Now we are at our wits' end to know how to get it back.

From the same lack of practical imagination, the Englishman hasn't learned yet how to sell. There is nothing like the volume of advertising here that there is in the United States. There are as many full-page advertising men in one-horse places like Denver and Buffalo as there are in all London. I notice that tremendous shops in London will only take a full page about twice a year. In the States such shops take one every day, and that is why no shop in London has a trade like the biggest of the Chicago and New York shops. They have developed the power of advertising to an extent not practised here, and solely by that they have turned 500 customers a day into 2,000 customers a day. Advertising has even raised the standard of living—they have talked people into buying better goods than they used to buy.

The Englishman prides himself on his "hard-headedness." Most of it is really bone-headedness. Cecil Rhodes was hard-headed; but not that way. He worked for an Africa that was going to be. He lived in an Africa that isn't born yet. He carried a map of it in his pocket, and it was all red from the Cape to Cairo.

The possibilities of selling in this country are limitless. Here is one thing. In the States there are six motors to every one in England. Yet the population is only two to one. Imagination should show the motor manufacturer a vision of England, with a mass of £100 cars. Why not? England, with

its fine roads, is the motorist's paradise. There isn't a good road of any length throughout the States. American roads are masses of mud.

There are some things here the war ought to bring to an end. We generally learn by our losses. We get our lessons in the school of hard knocks. It takes a crack on the head to get an idea into us—and then it is in! We will learn like that how to advertise and how to sell. We won't go on losing trade like we lost trade to Germany because Siberian women like square red handkerchiefs and we refuse to make any but oblong ones.

We shall learn to look ahead. I would rather know three minutes ahead than 3,000 years back. There's too much back knowledge in this country. We have got to realise what it means that the fear of Germany has passed. Germany was just a tremendous bluff; a big Zeppelin of a nation blown up by Bismarck and punctured by the Allies. At the time Germany was a forest of barbarians, we started the first scientific body in the world—the Royal Society! We have been forgetting that. We are the model of nations, a centre of freedom and self-government and public opinion. Germany has never had a Cromwell or a Gladstone or an Asquith—only a Bismarck!

There's a thought that ought to stimulate the imagination of our business men,





[CHAPTER VII]

BUSINESS RISKS

BY A. C. THOMPSON

General Manager of the Prudential Assurance Company

UP to the beginning of the war the Prudential had exceeded all its previous records, and the close of the year promised to be even more successful than its commencement. While the war prevented this, the

closing months showed an amount of business that was quite up to the average, and taxed the efforts of the staff to the utmost.

The Prudential in its industrial branch has 20,000,000 policies, payable by small weekly premiums, which are payable when the death of the assured occurs from causes normally arising in civil life. Thus for 1d. a week £10 can be secured at death from ordinary illness or accident, but the conditions of the policy do not cover the risks of warfare unless an extra premium is paid. The question to be decided was whether the company was to charge an extra premium, which if it were to cover possible contingencies would have been prohibitive, or whether it was to allow this large additional benefit as a gift to its policy-holders.

The company decided that from all points of view it was justified in assuming the war risk without extra charge to its existing policy-holders. The gravity of this decision will be realised when it is stated that its 20,000,000 industrial policies are representative of all classes of the population, and there was no means of telling the number of policies that would be affected by the concession. It is evident that a much larger proportion of the male population will be engaged than in any previous war, but after making full allowances for policies on lives that are not eligible for service, it is not at all impossible that the number will approximate to 500,000.

It cannot but be admitted that by voluntarily assuming this burden the directors showed noteworthy courage.

In the ordinary branch, where the company has over 900,000 policies in force, it was decided at once that existing policies on the lives of Volunteers, Territorials, and Yeomanry were to be exempt, and later, when Kitchener's Army came into being, the concession was extended to this body. With regard to the regular forces the Prudential, acting in conjunction with the Life Offices Association, at first charged an extra premium of £5 5s. per cent., but it was soon afterwards decided to charge no extra premium on the first £250 of the sum assured on any life.

Not only has the Prudential safeguarded the interests of its existing naval and military policy-holders, but it offers to all members of his Majesty's Forces without exception the opportunity of taking fresh assurance. It is a striking comment on the war risk experience that whereas in August 1914 assurance could be freely obtained at an extra premium of £7 7s. per cent., at the time of writing it can only be obtained with an extra £12 12s per cent. or more, and then only for small amounts. Indeed, many offices are declining war risks altogether.

Recognising that this might possibly act as a deterrent on enlisting, the company in November introduced a special endowment assurance policy for sailors and soldiers under which the sum assured is payable at the end of fifteen years or at death from any cause, whether through war or otherwise. The policy is issued for a sum assured of £10 or upwards, and there is no maximum limit. It is suitable therefore for all

ranks and all classes. The premium for each £10 of assurance is 25s. per annum for the duration of the war and 12s. 6d. after, so that the extra war premium works out at less than £6 6s. per cent.

Mr. Lloyd George has said that the "silver bullets" are going to have a marked effect on the duration of the war, and certainly the question of finance is of outstanding importance to all concerned. When it is remembered that the invested funds of the Prudential exceed £91,000,000, it will be readily imagined that the outbreak of hostilities occasioned considerable anxiety to the company. The finance of an assurance company is an intricate matter. It is bound to invest its surplus income, for the premiums are calculated on the assumption that the portion not required for the current claims and expenses will earn interest. Further, a large portion of the bonus is derived from interest earned in excess of the rate assumed in the calculations.

On the other hand, contingencies may arise in which it is necessary to realise securities in order to meet current outgoings. In ordinary circumstances the income of a progressive company from premiums and interest is much more than sufficient to meet the claims and other outgoings. The Prudential, for instance, has been increasing its invested funds at the rate of £3,000,000 to £4,000,000 per annum for many years past.

The outbreak of the war, however, threatened serious difficulties in life assurance finance, for the companies were faced with the possibility of a large increase in claims and a decrease in premium receipts.

To realise investments was, owing to the war, hardly possible, for securities were practically unsaleable. With the Prudential the margin of income over expenditure is so large that no real difficulty was anticipated even from the beginning, and the general financial situation so rapidly improved that insurance companies were considerable subscribers to the War Loan of £350,000,000.

The amount of this loan taken by the Prudential was £800,000, one of the largest allotments granted to a single applicant.

(It is already evident that opportunities will be presented to the business man which will call for all the courage and determination which are among the greatest assets of our race, and our capacity to make full use of the opportunities must depend largely on the degree of prudence which is now being exercised in our commercial affairs.)



H.W. Thornton.

CHAPTER VIII

ORGANISATION AND MEN

By H. W. THORNTON

General Manager of the Great Eastern Railway

THERE are two principal essentials to success in business, viz., organisation and men; and of these the first in importance is organisation, for a business may have very able men, but unless they operate in harmony with some well developed scheme their ability

will be largely wasted. An absence of organisation develops friction among the staff, with dissipated energy in all directions. It is with business as it is with the machine: the parts may be of the best material, but if the parts are put together improperly inefficiency results, and it is a poor machine. Therefore, organisation is the first essential, and must be developed before the individuals which compose it are selected.

The first step in developing an organisation is to divide the business into departments, each of which represent some fundamental function of the whole enterprise. That is to say, the division into departments and sub-departments ought to follow the lines of demarcation which are peculiar to the particular business under consideration. The same care exercised in dividing the business into the principal departments is also necessary in dividing departments into sub-departments, and so on, until the smallest sub-division is made. Thus, there is provided a strong framework upon which to build. The secret of a correct organisation is that it must be such that only one individual is responsible for any particular thing. When more than one person is responsible, no one is responsible. This applies to departments and sub-departments. The manager must always be able to put his finger upon one man in every section of a business, and hold him responsible for its proper working.

The next factor concerns the men. Complete co-operation between the officers in charge of various

departments is absolutely necessary. This is often a matter of temperament. An officer may be extremely brilliant at his particular work, but if he has such a temperament that nobody can work smoothly with him, he is of little use to his employer. His one fault outweighs his brilliant gifts.

This spirit of co-operation, so necessary for the conduct of business, will not be missing so long as each officer understands that the only justification for his existence is the extent to which he contributes to the welfare of the whole. Some men seem to imagine that the business is organised solely for them and their department. They are wrong, for no institution can maintain itself unless the men throughout the organisation make the welfare of the business their first consideration. It would be fatal to the success of an army in the field if the artillery, the infantry, or any other arm of the service did not subordinate its own interests to that of the whole force. The principle is exactly the same in business.

It is most important that conferences be had from time to time, under the supervision of the chief officer, for the discussion of matters of general interest. The heads of departments should be the chief officer's cabinet. Their aim should be not merely to run their own departments, but to assist the chief to run the business as a whole. They should keep themselves fully informed respecting the general policy of the concern, so that they can co-operate with each other intelligently. Conferences provide these requirements,

and at the same time afford valuable training for the officers in fitting them to become chief officers.

The same policy should be adopted by the departmental heads, and they in turn should lean on their sub-departmental heads in the same way that the chief leans upon them, for one of the principal aims of organisation is to develop the brain and the capacity of every individual in the concern. It is a very great mistake to allow the head of a department to be buried in a mass of detail. If there is any loafing to be done in any department, the head should do it. The chief officer should have plenty of time to think about matters relating to improvements in working. His time should not be occupied with signing letters, requisitions, and other matters of routine. Any trustworthy subordinate can do that, and one might as well engage a brilliant pianist to tune the piano.

Subordinates appreciate being entrusted with responsibility, and if they do not appreciate it the sooner they are got out of the organisation the better. Such responsibility lifts them above the feeling that they are mere clerks incompetent to act upon their own initiative. It should ever be borne in mind that minor officers are the material from which the chief officers must be recruited, and if they are taught to ask for instructions the habit of always depending upon someone else will be formed in them. They will never be fit to do anything on their own initiative, and all originality is killed. It is a part of a proper organisation to train every individual in it to meet emergencies without waiting to be told what to do.

Frank and friendly criticism should be encouraged from the officers. I have no opinion of the chief who trains those about him to tell him only the things he wants to be told. Anyone can do that. An officer is employed to give his chief the best product of his brains, irrespective of what his superior may think. Of course, the decision of the chief must be the final authority upon any matter under discussion, and whatever contrary opinions subordinates may hold, it is their duty, after the decision has been reached, to work loyally and enthusiastically for success.

A complete system of reports is an important factor in organisation. They will, of course, vary according to the nature of the business—a department store is a very different thing from a railway, and reports in the one case will be of a different character from reports in the other. But whatever the business, concise reports, accurately reflecting the trend of events, are essential, and they should be made as soon as possible after the events reported upon. A report loses its value if the subject of it is six months old, and it is sometimes better to risk a few trifling inaccuracies to ensure promptness.

I have dealt so far mainly with the machinery of organisation. The system upon which officers and staff should be selected and managed belongs to the second half of my subject.

The first consideration is ability. Your officer must have brains and capacity.) Then must be considered—what is often ignored—temperament.) A man who is a splendid sales-manager may make a poor show

in the manufacturing department, and *vice versa*. There are some men incapable for any other job than that of a hermit. In the selection and use of men, one ought to give this matter of personality a good deal of weight. Not nearly enough attention is paid to it.

Promotion should be made from within the organisation itself wherever possible. The men ought to be given to understand that promotion will follow the display of ability for higher positions. If the coveted posts are filled from outside, it naturally tends to destroy the *esprit de corps* of the staff. Besides, the organisation which cannot train and develop its own men for its own purposes must have something seriously the matter with it. Every officer should be expected, and know he is expected, to train a successor. One of the best recommendations for any head of a department is the number of good men he can develop, just as the best tribute to a schoolmaster is the number of able scholars he can turn out. That officer who can develop a large number of useful men for the company is a very valuable asset.)

(Originality and initiative should be encouraged all through the staff. I don't place much value on precedent. Precedent is the refuge of the coward. Argument by precedent is only resorted to by men who have not the brains to produce any other argument. Precedent is only valuable if it is based on good reasons. I don't think an organisation should bind itself to follow any method simply because somebody else followed it. Somebody else may have made a great mistake.

A most essential thing in organisation is discipline.

I define true discipline as that feeling of loyalty and obedience which is inspired by confidence and respect. Discipline enforced with a club is not true discipline. In time it leads to revolt. The heads of departments must feel confidence in and respect for the chief, and their subordinates must have the same feeling towards them. Unless the humblest employee on the staff has that feeling, his discipline is only the result of fear—and fear is a poor way to govern. The policy of “frightfulness” is as bad business as it is bad war.

The elements of a successful business organisation may be divided under five heads :

1. The net earnings, *i.e.* the difference between the producing cost and the selling price.
2. The relations between the concern and its patrons, a satisfied *clientèle* being the most valuable asset of a business.
3. Its relations with its employees.
4. The maintenance of the property, which must have enough spent on it each year to keep it efficient.
5. The development of the property to meet future requirements.

It is most important that a manufacturing concern should keep a constant eye on what its competitors are doing, and that it should sell customers what *they* want, and not what it thinks they ought to want.

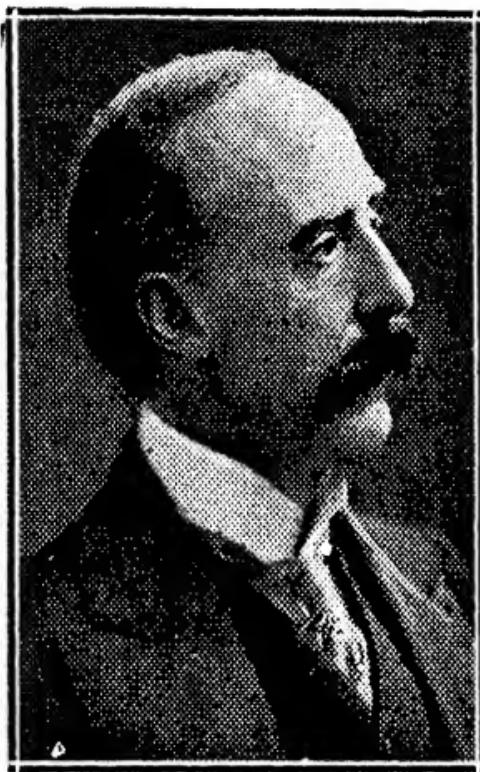
I know of a big automobile company which produced excellent cars in two standard colours, dark blue and black. It went into the South American market with

its black cars, and found that the South Americans liked red cars. The company protested that red was not a good colour for automobiles. It pointed out the superior æsthetic charm of black. It argued that a black car looked ever so much more respectable than a flaring red car. Finally, it told them emphatically they had got to have black cars. So they bought red cars of somebody else.

Give people what they want, so long as they pay the price.

The manufacturer should never lose a chance of making a friend. He never knows when he may want one. The business man who never fails to make a friend never wants for one in a crisis.

A commercial institution operating under a correct organisation, with able men in the responsible positions, co-operating for a common end enthusiastically, loyally and cheerfully, will be a success.



Charles E. Musgrave

CHAPTER IX

THE MACHINERY OF BUSINESS

BY CHARLES E. MUSGRAVE

*Secretary of the London Chamber of Commerce; Secretary
of the British Imperial Council of Commerce.*

JUST as the machinery of business is designed for the furtherance of peaceful enterprises, and thus becomes subject to sharp dislocation by the change from peace to war, so a Chamber of Commerce finds itself, in time

of war, confronted with a condition of things seriously different from that which all its organisation was created to meet. The test which war suddenly applied to the stability of British trade last August was the capacity of that trade, with all its complex machinery, to adapt itself quickly to utterly changed conditions. The same test was applied to the utility of the institution known as the Chamber of Commerce.

For the information of the public generally, and the trader particularly, I will endeavour to show how that test was met.

First, I will briefly summarise the functions of the Chamber of Commerce, as set out in the Memorandum of Association of the London Chamber. Chiefly they consist of the promotion of the trade of London, and through London, of the trade of the United Kingdom ; the dissemination of useful information about trade, statistical and otherwise ; the promotion or support of, or the opposition to, legislation affecting trade interests ; and the promotion of arbitration in trade disputes.

Obviously, the war sealed up a good many directions in which our normal activities were travelling, just as it barricaded many avenues through which trade itself flowed in time of peace. But simultaneously it gave a sudden extra importance to what were, after all, our main functions as "a clearing-house for commercial ideas" and information, and a medium between the interests of trade and the actions of the legislature. How it emerged from that ordeal is clearly the test by which the utility of the Chamber

of Commerce as an institution, as part of the permanent machinery of commerce, should be judged.

London is the largest distributing centre in the Empire and the principal port of the world ; the emporium to which all that the world produces is attracted ; and consequently the dislocation of the normal course of business caused by the war would be more far-reaching in this country than anywhere else. At the same time, thanks to the financial predominance of London, which has established the British sovereign as the measure of all the commodities in the world, no other centre bore the shock more easily. I must not be tempted to diverge from my proper subject by enlarging on the successful measures taken by London to protect the enormous trade interests of the Empire, for they are common property now. What I wish to point out is that with London occupying that position, the obligations of the London Chamber of Commerce to its members were very considerable. For the war found it the most representative body of all the interests concerned.

It devolved upon us, therefore, to keep in constant touch, on behalf of the City, with the Government. Moving largely through us, bankers and traders gave their assistance to the Government in the matter of the moratorium, the issue of emergency money, contraband, the assumption of control of foodstuffs, the prohibition of exports, the State insurance of war shipping risks, and so on. Our task was rendered much easier by the patriotic spirit of co-operation shown by all parties. While the initiative of the

Government was invaluable, provoking very few complaints from any responsible quarter, their action in calling to their assistance members of the opposite party was admirable in its effect upon the feeling of the country. It enabled them, in the course of a few weeks, virtually to carry out the Socialist dream of nationalising for the period of the war the means of production, distribution, and exchange, without exciting a murmur of protest.

It would hardly be possible for me to exaggerate the importance to the trader of keeping himself correctly and quickly informed of the progress of the profound and rapid changes in the state of business. When I say that the London Chamber of Commerce provided its members with this information, I need not add the self-evident fact that it performed a service without which the business men who received it would have found the machinery of business seriously impaired. Glancing over the series of special circulars which we have issued from time to time to our members, my eye lights on, among other headings under which the latest information is given, these—"Banking transactions with branches of enemy concerns abroad," "Additions to German list of contraband," "Trading with the Enemy Act (1914) Amendment Act," "Payments for renewal of patents," "Debts owing by foreigners," "British cargoes in enemy ships at neutral ports, or detained, or captured as prizes," "Prohibition of export of warlike stores," and so on. In fact, the special circulars of the London Chamber of Commerce contain a complete guide to the

emergency commercial measures established during the war.

In laying emphasis upon the direct service given to the trader by the Chamber, however, I do not wish to obscure the supreme value of the indirect service which it rendered at the time of acute crisis, in those early days of the war, when the banks and the Government were earnestly collaborating to prevent that collapse of British credit which clumsy handling of the many awkward and difficult problems that arose might have produced. The Chamber was particularly useful at that time in so far as it was able to focus the views of all branches of trade and commerce, and to convey them to the Government, while at the same time assuring the Government of support in what they were doing. I am not claiming too much when I say that but for that service rendered by commercial bodies the various prohibitive operations of the Government could never have worked so smoothly. If I might give one casual illustration, it would be that of the various prohibitions of export trade. It has become necessary, for good reasons, to prohibit the export of certain articles which it was suspected were being conveyed to the enemy through neutral channels. The first course that the Government, having come to their decision, had to take was to issue a total prohibition. Here began one of the functions of the Chambers of Commerce—to ameliorate the order in such a way that innocent foreign trade might be preserved, while insuring that none of it went the enemy's way. Thus the removal of the

bar, under certain conditions governed by licence, became the province of the Chamber, and in this way an enormous amount of unnecessary loss has been saved to the trader.

Without touching on controversial topics, I should like to conclude by referring to one aspect of the future that has been very much discussed in the Press. That is the capture of German trade. I allude to it because it bears closely on the subject of this article—the functions of a Chamber of Commerce in the machinery of business.

An essential preliminary for any enterprise having for its object the capture of German trade is full information, and that is a thing which is sadly absent from a great many of the articles, pamphlets, speeches, and books that have appeared on this subject during the past six months. The enthusiasm for capturing German trade is most laudable and promising, but I am compelled to say that much of it is hardly justified. Owing to ignorance of the peculiar conditions of German industry, and failure to consider the impossibility of establishing similar conditions in this country, it is not realised that many of these trades, the subject of so much hot breath, are not worth our while to capture. We do not want English men and English women to be exploited on the terms that so many German men and women are. A fair knowledge of foreign trades, their labour, wages, conditions, and profits, would save any intelligent business man from falling into these idle errors. British trade will continue, after the war as before, to

choose the best markets and the best industries, leaving the others to its rivals.

In this direction of spreading sound practical information for the wisest guidance of our commercial activities, I see a future before the Chambers of Commerce more brilliant and more useful than any period of their past.



CHAPTER X

SPECIALISED TRAINING FOR BUSINESS

By GEORGE E. CLARK, F.R.G.S.

Principal and Founder of Clark's College

THE near future is golden with opportunities for our young men and women. With the looms, the mills, the mines, the factories, the furnaces, the ports, the warehouses, the stores, the offices—all teeming with

arrears of old trade and the pressure of new, the cry will be heard on all sides for young men and young women to take a hand in the commercial boom. Rich commercial prizes will be there for the taking.

I am an optimist, as you see. I believe that the war will give Great Britain a tremendous commercial pull, and that she will need all her resources of young people to cope with it. Naturally, I see this with enthusiasm, for it is my business, and has been my business for thirty-four years, to prepare young people for commercial life. For the sake of my pupils, therefore, those who are now passing through my College, and those who will be doing so in the next few years, I hail the prospect with rejoicing.

But there is one most important proviso in these calculations of the opportunities opening before the young men and women of this country. It is this: The opportunities are for the properly-equipped young people. There are no prizes awaiting the youth who goes into the commercial world with a random and casual education, that may be good enough for the easier—the “softer”—departments of life, but which discloses grave deficiencies in that strenuous world in which great businesses struggle in their rivalry for commercial supremacy. The time has long gone past when the head of a commercial house was prepared to take into his office a raw youth straight from the elementary school and there teach him his business. The stress of modern competition is now too great for this.

There is equal room for warning, as for congratulation, in the outlook before us.

I constantly urge upon parents the prime necessity of having their sons and daughters ready—in the sense of being properly equipped—for the enormous demand which is coming for competent, well-trained recruits to the army of commerce. It is no good talking about capturing German trade if we are not prepared to apply to the task business methods as capable as those of the competitors we hope to displace. Surely, if one lesson of the war ought to have been learnt more thoroughly than any other, it should be this—that our commercial set-backs, on which the war has focussed so much attention, have been due not to any innate business inferiority on the part of our own people, but to the more thorough commercial training that the Germans have been in the habit of giving to the youth intended for commercial life. Nor is it any good exulting over the departure from the City offices of thousands of German clerks who were keeping English clerks out of their own proper work, if we are not similarly prepared to supply the City with clerks just as good as the alien enemies that have gone. The point needs no elaboration. It is obvious.

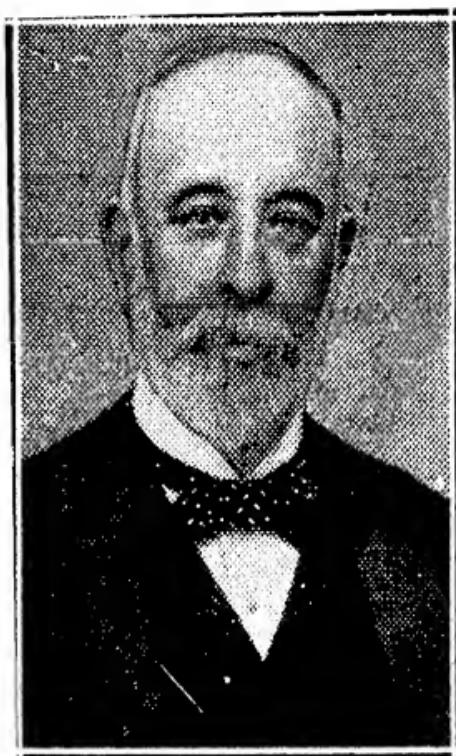
All this was important enough before the war, It is doubly important now, when such dazzling opportunities for specialised training are already in sight.

For bringing the advantages of a Clark's College training before the public, I have always relied on reasonable and discriminate advertising.

I have always attached the greatest importance to advertising boldly and conspicuously in the daily newspapers. *The Daily News* stands foremost on our advertising lists, and I am particularly gratified with the results obtained from advertising in it.

I impress on the public the fact that Clark's College is the "Civil Service and Business University of London." I have not touched much in this article on the Civil Service side of our training, for the reason that, although the demand for clerks in the Civil Service is at present greater than it has ever been, at the moment the commercial realms that invite the conquest of the young are a subject of unusual allure-
ment; but the attractions of the Civil Service, with its assured positions, regular increments of salary, pensions, short hours and long holidays, are not likely to be lessened by anything that may happen as the result of the war. As a career, the Civil Service, under the wing of the best employer in the country—the State—will always hold a very high place in the esteem of parents, and we cater most carefully for it.

I have, I think, given good reasons in these observations for my strong belief in the wisdom of maintaining business, with all its accessories of advertising and ingenuity, going at top capacity during war time. To do otherwise, would seem to be incredible folly.



W. P. Treloar

CHAPTER XI

THE PULSE OF THE PUBLIC

BY SIR WILLIAM TRELOAR, BART.

The popular ex-Lord Mayor of London, who is well-known as head of the famous Ludgate Hill carpet and linoleum firm.

MANY years ago, at a dinner in New York, I heard a very successful man say, "Any fool can make money if he knows how to advertise well. All he has got to do is to get hold of an article with a registered title

and a large profit, and then go to work and advertise it for all he is worth or can get credit for."

I repeat the story not in a spirit of admiration for the accuracy of the statement. On the contrary, I am quite sure the idea, which is sometimes expressed here too, is a wrong one so far as British business and British advertising are concerned, but I must say I agree with Barnum that "the man who had something to sell and did not advertise it was like a man winking at a pretty girl in the dark."

In the first place, it is a mistake to suppose that the merit of the article advertised has nothing to do with the success of the advertising. As a matter of fact, there is no more wasteful advertising than that which is used to promote the sale of things which are really not worth buying. This will be readily realised when you remember what the chief end and purpose of advertising is. It is to make new customers. But the making of new customers is not accomplished merely by getting a swarm of fresh people to buy your goods; for if your goods are bad and dear very few of them will buy twice, nor will they recommend their friends to buy. Thus you soon lose the effect of each advertising effort. The next time you advertise you have to begin all over again, and you have also to contend against the prejudice created against your goods in the minds of those whom you have disappointed.

It is no use advertising unless you can supply the goods at such rates and in such quality as will induce permanent fresh business. When I place my adver-

tisements in *The Daily News* I realise that I am responsible for the satisfaction of every new buyer of Treloar carpets which those advertisements produce. Each customer has got to be himself a walking advertisement of my goods, or my advertising is a failure.

In the second place—reverting to the contention of the man in New York—it is a mistake to imagine that “any fool” can make money by advertising, even if he has got a good thing to offer. From a long experience, I can truly say that it is not everyone who is a successful advertiser of ordinary everyday wares. You have got to be wise enough not to deceive the public with false statements or bad goods, and not to make your appeals to the wrong public, or to make them to the right public in the wrong way.

This is really equivalent to saying :

- (1) That articles which are consistently advertised by a well-known firm in the British daily newspapers are honest and reliable goods—otherwise the public would have found them out, and they could not have continued to make their appeals year after year ; and
- (2) That a newspaper which consistently carries familiar advertisements is necessarily a good medium for selling goods of that character.

I refer to daily newspaper advertising because it is almost entirely through it that the advertiser is enabled to keep his finger on the pulse of the public. Newspaper advertising is the pre-eminent medium, because its results are immediately evident. You can tell in the shortest possible time—or you think

you can—what is the state of the public demand for your goods ; in what section of the public it is strongest, and in what section weakest ; and, moreover, the sales effected by it are at once more rapid in their incidence, and larger in their volume.

There is an idea in the minds of some people that a man who doesn't spend money in advertising is able to sell his goods cheaper than a man who spends a lot in that way. But it is not so, for the man who advertises sells more of his goods than the man who does not, which fact automatically cheapens the cost of production, and enables him to put his goods on the market at a lower selling price.

Every advertiser knows that quite well, but many traders are ignorant of it, and are deterred from advertising by a delusion to the contrary.

British manufacturers and dealers are, I think, quite alive to all the chances now open to them, and I will finish by saying :

“ The way to be healthy, wealthy, and wise
Is to go to bed early and advertise.”



Geo P. Hargreaves

CHAPTER XII

THE DEMAND FOR DAILY NECESSITIES

BY GEORGE P. HARGREAVES

Managing Director of Messrs. Hargreaves Bros. and Co., Ltd., of Hull, Manufacturers of Gipsy Black Lead, Glosso Metal Polish, Liroleo Floor Polish, etc.

WHEN the Kaiser said "War!" many people thought the end of all things had come. It took most of us a few days to realise that the British Empire was

founded on such a substantial basis that it could not be overthrown at the dictation of the German Emperor. Keen business men all over Britain soon recognised, however, that if this country was to be in the best position to bear the brunt of a long European war, lots of money would have to be forthcoming to pay for it. They saw, too, that the best way to provide the supplies would be to keep the wheels of commerce moving so that the war taxes might be paid readily.

I am associated with a company which produces household requisites—principally polishes for the home—and quite early in the war it was felt it would be a profound mistake to refrain from keeping our specialities before the public which for some years past had been steadily educated to their use. Until the national outlook cleared somewhat, we naturally felt that a reduction in advertising expenditure was inevitable, that our announcements might be slightly less frequent, and that the spaces we bought might be somewhat smaller, but we decided that our advertisements should still appear week by week in most of the journals which had been publishing them for so long. So we selected corner positions on the title page of some of the leading London dailies and endeavoured to instil into the minds of the readers that during the war Gipsy Black Lead should be used as usual and so on.

We were so satisfied with the result of these advertisements that we soon resumed our larger spaces, in which we endeavour to give week by week "Reasons

Why" British housewives should insist on being supplied with British goods made by our British workpeople in Great Britain.

This brings me to an important point, namely, that our policy, conceived before the war had been in progress seven days and steadily followed ever since, has had the most satisfactory results so far as our workpeople are concerned. At our model factory at Gipsyville, near Hull, "Business as usual" has continued throughout the war. No reduction of staff has been necessary, and we are still running the works full time.

I am bound to say I attribute a considerable part of the good fortune which our employees thus experience to the fact that our goods have been prominently advertised for some years past, and that, since the war commenced, advertising had been regularly maintained.

As an instance of the way in which the housewife does follow the advertising of daily necessities, I may mention the following :

Last spring and summer, we were featuring in our Floor Polish advertisements the offer of a free Linoleo Polisher under certain conditions. We did not repeat this during our autumn advertising, but we recently had a letter from a lady in some remote part of the country who had read these advertisements in a London daily, and had remembered the substance of the offer, but forgotten our name. She wished to avail herself of the free gift, and so wrote a letter to the Editor, who courteously passed it on to us, recog-

nising that it was our floor polish to which she referred.

I could give many similar instances, but I will content myself with one other.

In the manufacture of metal polish, in which we specialise, we had to meet much foreign competition in days gone by. During the past five months, we have in our Glosso advertising emphasised the fact that our product is and always has been, entirely British, and have offered free samples to housewives who would write us giving their grocers' name. We have received a considerable number of inquiries from many different parts of the British Isles asking for a sample of "Glosso, the All British Metal Polish."

This would seem clearly to demonstrate two facts—
(1) that the housewife is reading the newspapers, and
(2) that she is ready to insist upon the supply of British-made goods.



 Philip Benson

CHAPTER XIII

ARE SOME TRADERS LOSING A GREAT OPPORTUNITY ?

BY PHILIP BENSON

Messrs. S. H. Benson, Ltd., of which firm Mr. Philip Benson is principal, act as advertising agents for Bovril, Ltd., Virol, Ltd., J. and J. Colman, Ltd. (Proprietors of Colman's Mustard, etc.), Angus Watson and Co. (Proprietors of Skipper Sardines), and other firms whose commodities are known in every household.

THE problem created by the war was, of course,

very difficult one. A new set of conditions was set up, of which no one had any experience, and time has shown that those traders are losing least who are taking the quickest advantage of the experience they have already gained of what those new conditions are. A great many of the latter have become sufficiently clear to be dealt with without delay.

For example : One result of the war, with its scale of separation allowances to soldiers' wives, was that thousands of women had two or three times more money to spend than they ever had before. We know that during the Boer war a large number of women completely furnished their houses, while their husbands were away, out of their separation allowances ; and I myself heard of a woman who said : "I wonder if this war will last long enough to allow me to get a good home together before my husband comes back."

All this meant an extraordinary increase in certain places in the buying power of the public of a certain class—and that class is largely the class upon which the proprietors of advertised articles depend.

For it is generally admitted that women are more quickly affected by advertising than men. They are the people whom most advertisers set out principally to impress ; and the transfer of a considerable amount of money from the men to the women must affect buying in a markedly favourable manner, of which the advertiser should see that he reaps the full benefit.

Another important point that should weigh with the trader is connected with the changes in the habits

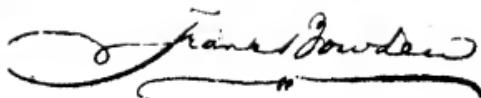
of the people which the war has brought about. People go out less to the theatres, and social functions are much reduced in number. All this means that people are staying at home more, and therefore finding more time to read than they had before the war. It is a reasonable deduction from this that the advertiser in newspapers and periodicals is presented with a unique opportunity of getting his advertisements studied.

This, too, by a new set of potential customers. For the class of people who are better off through the war, owing to increased wages, the benefits of the separation allowances, and so on, make up the bulk of the new readers of newspapers.

Thus I claim it to be a logical argument that the loss of one class of customers should be recompensed to the wise advertiser by the acquisition of new classes. I believe it to be true that while advertisers who kept their articles continually advertised during the war perhaps lost nearly as many customers as the non-advertisers, they replaced them by new customers.

To sum up, advertisers have never had to face a more difficult problem than the problem of the extent to which they ought to advertise while war conditions lasted. Admittedly, there must be circumstances in which it would not be desirable to spend money in that direction, but in all cases, without exception, the question is one that should be considered carefully in all its bearings and in the light of the best experience obtainable. And the fact that the returns from advertising may in a few isolated cases not be immedi-

ately apparent is no conclusive argument against advertising, because, after all, it is of the highest importance to keep the standard article before the public, and not to run the risk of allowing people to get into the habit of using non-advertised goods, pushed by the trade in order to get an extra discount.



CHAPTER XIV

SAVING A GREAT INDUSTRY

BY FRANK BOWDEN

Mr. Frank Bowden, J.P., F.R.G.S., founder, chairman, and managing director of the Raleigh Cycle Co., Ltd., the largest cycle manufacturing company in the world, and also founder, chairman and managing director of Sturmey-Archer Gears, Ltd.

SOME years ago the cycle trade became a "threatened" industry. The cycle manufacturer was confronted

with a more serious problem than many business firms to-day, which see in the war a menace to their existence.

I do not think there is any industry in this country which affords such an excellent example to those afflicted by the war as the cycle trade. It is a living example to-day of how enterprise can combat and conquer extremity. And, though conditions are undoubtedly serious in many directions, I am sure that if the situation be faced with the same pluck and confidence that our men are showing at the front we manufacturers will achieve an equally brilliant and abiding victory.

It will be remembered that about twenty years ago there was a cycle boom. Cyclists were met everywhere riding machines which each cost a considerable amount of money. Down side streets, at dusk, one would often meet a man or woman on a "safety" making a crazy course from side to side of the road, whilst a kindly friend ran alongside to support his or her equilibrium.

By and by the crowds of cyclists diminished in the streets at night, though you would find plenty of enthusiasts going off for their Saturday afternoon rambles. Motoring became popular, and it was said that in addition to many old cyclists taking up this form of locomotion, the roads were rendered so unpleasant by the dust that cycling was impossible.

In a word, cycling was said to be doomed, and the cycle trade with it. That was the future to which many looked forward. It was not to be a temporary

crisis, but a permanent death to a great industry, and the prospect was not an inviting one. The lesson we learned then is a valuable one for other firms and industries, which are suffering from a temporary setback which will turn into ruin or progress according to the energy and enterprise which is shown at the present time.

If we had accepted the situation, our trade would most certainly have been doomed, but instead of doing so we aimed at bigger sales still. It was the Napoleonic solution that attack was the best form of defence, and we had to attack the public, as it were, to produce new customers. There are always more people who cannot afford to pay high prices than there are those to whom money is no object. For every man who can afford a motor car there are dozens who can afford a motor cycle, and hundreds who can afford a cycle. We chose to cater for the last, and made our plans accordingly.

We attacked the problem at the manufacturing end, and greatly reduced the cost of manufacture without loss of quality by improved methods and a big output. Experience in manufacturing achieved the first, and experience in advertising the second. We knew that if we could sell enough "Raleighs," we could greatly reduce the price while retaining the Raleigh high quality, and we did so, convinced that we could get all the customers we wanted by bold, up-to-date advertising. By looking through the files of papers it will be found that Raleigh cycles have used more advertisement space in the daily Press than any other

cycle firm, and you will gather from that fact that very few interested people failed to notice our announcements. Our judgment was abundantly justified, and until the war began more Raleigh cycles were sold each year than ever.

At the time when cycling was said to be "doomed" our sales were less than ten thousand bicycles a year. Last year, as the result of our policy, the output of the Raleigh works was 59,219 bicycles—six times greater than when we were supposed to have reached our zenith!

One point I would emphasise. We have backed our appeals with an article which justified our advertising expenditure, and we have advertised confidently in the face of the fiercest competition. Another striking instance of what can be done by advertising a good and useful thing has been shown by our experience with the Sturmey-Archer three-speed gear. In its first year we had to contend with a storm of adverse criticism. We were told that the three-speed gear was unnecessary, but we steadily pushed it, and every year showed a very large increase. Now, although other companies make three-speed gears, if you were to ask the man in the street the name of the best of them he would inevitably mention the one which has by far the bulk of the sales, namely, the pioneer of them all—the Sturmey-Archer.

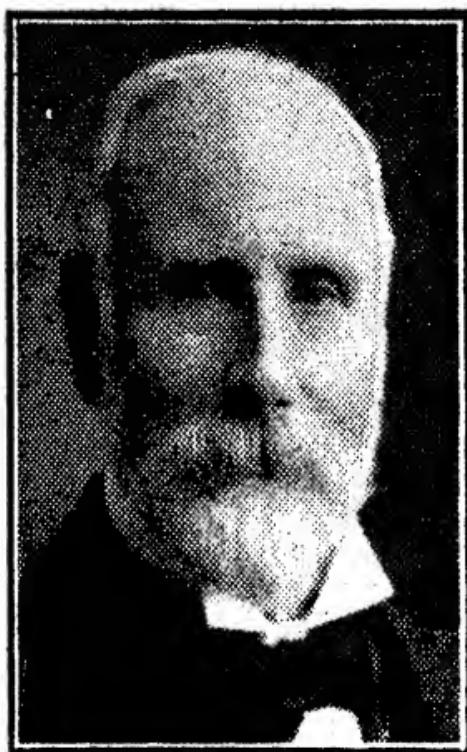
There was always a demand for the cycle. At one time it was a craze, but afterwards it became a necessity. Thousands of people cycle for recreation and health, for which purpose it is ideal. Thousands use it for

going to and from business, and in business for calling on customers and for deliveries. Telegrams and letters are delivered by cyclists, and the cyclist is playing a prominent part in the war. So far from being a dying industry, the cycle trade will continue to flourish until such a time may arrive (of which science gives no clue at present) when the motor car will challenge the cycle for cheapness.

Never was there such a tribute to the power of judicious advertising. The cycle trade could never have been built up to its present dimensions in the space of a comparatively few years without the facilities for advertising provided by the daily papers with their enormous circulations, by which means the whole market can be appealed to again and again with ever-increasing force at the lowest possible cost. Nor could the industry have been developed in the face of all its difficulties without the same powerful means of salesmanship: The popularity of cycling is shown by the regular cycling article in *The Daily News*, which has been read with great interest by thousands of cyclists for many years, and the help which this paper has given to the cycle trade is reflected in the results which cycle manufacturers obtain from their advertisements in its columns.

The manufacturers who are losing business at the present time clearly do not know the value of advertising in papers which have such great influence with their readers. If they have articles to sell which appeal to the average home, *The Daily News* alone would introduce their goods to hundreds of thousands

at a low cost. To such firms I would commend our own experience. Let them see how best they can supply the needs of the public at the present time, and show and prove to them the advantages they offer by means of an advertising campaign. The result of the experiment would astonish firms which have never advertised.



CHAPTER XV
THE MAINSPRING OF BUSINESS
BY JOHN CLEAVER

Chairman and Managing Director of the famous firm of Robinson and Cleaver, Ltd., of Belfast, London and Liverpool.

It does not matter how excellent a trader's wares are, or how suitable to meet a large public demand, if the

trader does not take adequate steps to let the public know he has got them ; in other words, if he does not advertise well. Therefore, proper advertising is the mainspring of business.

The question, what is "proper" advertising, is, after all, to be summed up in a very few words. Telling the public what you have got to sell is the whole art of it. That there are different ways of doing it is evident, just as there are different ways of being successful as a public speaker. Some orators achieve it by their persistence, their painstaking qualities, their tirelessness. If they are not listened to on this occasion, they will see to it that they are heard on that. Others, possessing no brilliant abilities, are successful because of their sincerity and their transparent honesty.

The principles of advertising are the same. Methods are different, but it remains true that no firm can hope to appeal to more than a comparatively small number of people unless it uses the medium of advertising presented by the daily newspapers.

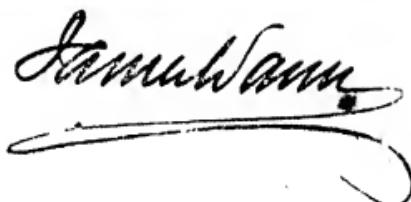
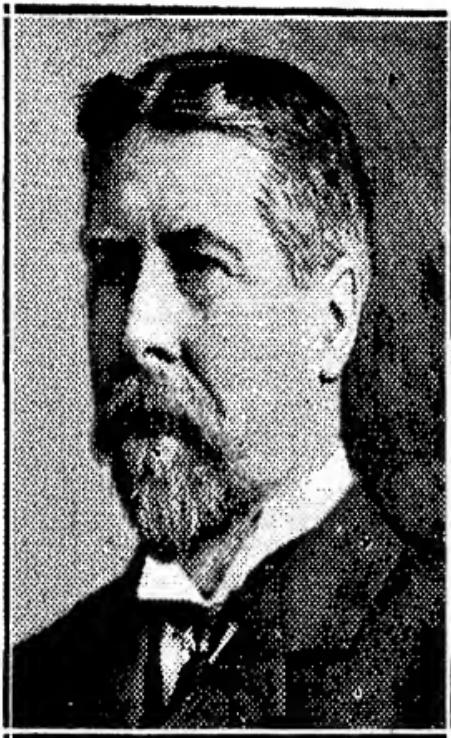
It is possible to illustrate my point from our own business. I have two alternative methods of attracting trade. The first is to rely upon the very excellent advertisement of the shop-window display. But the appeal of the shop-window is strictly limited. I am obliged to depend on its influence upon the man who, walking past it, sees something in it which he wants, and comes in to buy it. Now the number of people who walk past our windows in Regent Street is very large, but, after all, it is a small public compared with

the number of potential customers. Thus my second alternative, the newspaper advertisement, easily holds the field for effectiveness. For the newspaper advertisement attracts people who, in the ordinary way, never pass down Regent Street. They read it in Finchley, or Clapham, or Ealing, or Leyton, and it induces them to come out of their way to Regent Street.

If in good times advertising is a necessity—is the mainspring of business—it follows that in anxious times it is so much the more essential. The fact that results may be smaller, and that the “pulling power” of advertisements becomes less owing to the enhanced appeal of the general news, is only relevant to the trader’s problem in so far as it should impress him with the need of maintaining his advertisement pressure.

In the teeth of a gale, a ship’s boilers have to be stoked with more fuel than in fair weather. The parable applies with strict accuracy.

Many advertisers make the mistake of taking for granted that the public knows all about the articles they advertise. I have always made it a rule to be precise and exact in the information I offer; and I am convinced from the good results obtained that that is the wise policy.



CHAPTER XVI

TRADE MARKS : HOW TO GET AND HOW TO USE THEM

BY JAMES WANN

*Mr. Wann is head of the firm of T. B. Browne, Ltd.,
Advertising Agents*

THE question of trade marks is one that is very closely connected with the question of advertising. It was my firm's experience of the impossibility of going far with advertising without a sound knowledge of trade

mark law that obliged us, many years ago now, to start a trade marks department, which has since grown to enormous dimensions.

It is a matter which has increased rather than declined in importance. It is more true to-day than ever that no one can launch out on an advertising campaign without soon being forced to give himself definite answers to the questions : What is it I am advertising ? How am I advertising it ? and Am I advertising it safely ? Only a proper conversance with, or advice on, trade mark law will give him the answers.

I have on my table as I write a popular monthly magazine containing many pages of advertisements. All sorts of excellent commodities are included in these pages, and it may perhaps startle you when I assure you that in 25 per cent. of them the advertised trade mark is in some way or other faulty ! Many of these advertisements are in other respects perfect as examples of skilled modern advertising, and give every evidence of care and attention in making the most of the advertisement writer, the artist and designer, and the printer. For obvious reasons, I cannot cite examples, but it will probably convey to the reader what I mean equally well if I explain the principal disadvantage of a bad or weak trade mark.

It is this. The advertiser without a proper trade mark, or trade name, for his article, is advertising something as to which he has no assurance that he is properly possessed of it. I will illustrate this by a parable.

Let us say that a certain man named Jones invents a household requisite which he registers under a distinctive name of his own creation—say, “Shrapnels”; and that neither the article nor the name existed before he invented them. It is a good article, and by dint of clever advertising he makes “Shrapnels” a household word. It passes into the indispensable currency of the trade. He makes a fortune out of it. But suppose that in registering and using that name he prefixes to it his own, so that the trade mark reads : “Jones’s Shrapnels.” By so registering and using the name the probable result would be to render the name “Shrapnels” merely descriptive of the article, and not indicative of an article exclusively made by Jones, in which case it would be open to somebody else, say Robinson, to come out with a similar article at a cheaper price and call it “Robinson’s Shrapnels.” Jones could not touch him, because the monopoly which the trade mark registration conferred on him was in respect of the combination “Jones’s Shrapnels,” not of the word “Shrapnels” itself. Thus the word which is his principal asset has been left unprotected, and his rival can step in and reap the benefit of all Jones’s invention and advertisement at comparatively no expense to himself.

This is no idle parable. I have known the thing to happen, with disastrous results to the owners of the original article.

It is an excellent maxim that “A trade mark is what you make it.” You must, in the first instance, choose it well. Get the foundation-stone right, and

the superstructure may rise high and great. The household words and devices which, by happy ingenuity at the outset and prudent outlay in keeping them before the public, denote the products of many who happen to be among our principal clients, lie at the foundation of great commercial fortunes. Every trader knows that a market has to be fostered as well as created. The proprietor of a good commodity often thinks that an attractive poster and a good position in Press advertisements are sufficient to keep it in the public eye. These are undoubtedly in most cases indispensable means of advertisement, but they generally want the "seal," or finishing touch, of a registered trade mark—something which will pass easily into the currency of daily talk, or will strike the eye with frequent and pleasing familiarity.

By general admission, a well-chosen and validly registered trade mark is among the best of advertisements. Its value cannot be over-estimated. It familiarises the public mind with the goods whose origin it indicates; and when protected by registration it holds the field against rivals. To fully realise the value of a well-established trade mark it is only necessary for the reader to imagine what the position would be if the proprietor of any such mark were deprived of the right to its exclusive use. It would be practically equivalent to the closing down of his business. The monopoly in a trade mark, unlike letters patent, can be renewed perpetually at small cost, so it is well worth while to spend great care on the early choice of a mark which, if well chosen and

successfully handled, will stand for all time and prove the foundation of a fortune. It is, therefore, very important that a trade mark should not be hastily chosen.

The Trade Marks Act of 1905, which was deliberately framed to encourage the useful registration of trade marks, and to secure the perpetual renewal of a valuable monopoly at a small cost, is proving a boon to traders who have been able to secure benefits denied to them by previous legislation. Broadly speaking, the Act debars from registration three classes of words :

- (1) Geographical names.
- (2) Surnames.
- (3) Descriptive words.

Experience shows that, as a general rule and in the absence of any peculiar trade circumstances, a trader cannot do better than adopt an invented word, or a word which has no direct reference to the character or quality of the goods and which is not, according to its ordinary signification, a geographical name or a surname. The obvious experience of commerce is that a "work-mark," chosen for the sake of euphony and ease of repetition, is the best for its purpose.) Take up a newspaper for examples of this. I pick up *The Daily News*, and my eye hits upon "Cerebos," "Oxo," "Lemco," and "Atora"—household words which are at the bottom of great commercial fortunes. The fact that some thousands of such words rest secure on the official register of trade marks should deter no one from finding a new one. "There are more fish in the sea than ever came out of it." Dictionary words

like "Sunlight," "Provost," "Puritan," "Pioneer," "Pilot," and "Zebra" will always be available, if not already registered, for registration in respect of goods of the character or quality to which they have no direct reference.

The trade mark, when registered, should be advertised without stinting. In these days of strenuous competition it must be advertised, one may almost say, *ad infinitum* as the familiarity of the public with a trade mark depends on its judicious publication to all the world. Whether thousands of pounds are to be laid out in fostering a market for a new brand of soap, or whether large or small sums are to be laid out in fostering a market for some new article, the principle holds good that the public must be familiarised with the article with which it is to be supplied.

Without advertisement profit will come slowly, if at all. With a good article, backed up by judicious and extensive advertising under a good distinctive mark, and sold at a reasonable price, success is assured, though it should be observed that the mere advertisement of a mark is not equivalent to its actual use, either upon the goods themselves or upon some wrapper or case containing them, in such a way as to enable the public to identify them as those of a particular trader.

The familiarity of the public with a trade mark depends not on its inclusion in an official register, but on its wide and wise publication to all the world. So and so's device, or such-and-such a word, must hit the public eye on street hoardings, in railway stations,

up and down the highways of traffic, and, best of all, in the newspapers and all the literature of the book-stalls. It must be widely done, because the merchant who wants to individualise his goods as his own must make repeated appeal to the intelligence of each individual consumer.

The double knock at the door generally opens it more quickly.

The reminder of something previously seen or heard breeds conviction as to its existence and as to its efficacy. Advertisement allows no stinting. The invitation to buy, and to buy again, must, in these days of strenuous competition, be multiplied *ad infinitum*.

It follows that such exploiting of the chosen trade mark must be wisely done. In the first place, no man in his senses will want to spend large sums of money on the advertisement of a feeble mark, or on the feeble advertisement of a good mark. It costs as much to insert a poor advertisement in a newspaper as a good one ; your bill poster will charge as much for unattractive posters as for the works of art which are already creating an æsthetic revolution in the public places of our towns.

Traders should take care to see that their trade marks are registered abroad. A most necessary forerunner to the opening up of business in any country is the efficient protection of trade marks by timely registration. This was never more essential than it is to-day, especially in view of the fact that a vast number of traders are commencing operations in

new markets, and the only prudent course for a trade mark owner to take is to follow up a registration in Great Britain by immediately obtaining a corresponding registration, in his own name, in each of the countries to which his goods are likely to go.

If the owner of a trade mark neglects to take this precaution, he may find, when desirous of using his mark abroad, that he cannot do so, as it is already the registered property of someone who has taken advantage of his neglect.

Provision now exists for the registration or recordal of trade marks in almost every country, and consequently its omission would be regarded as an act of neglect on the part of the proprietor in failing to protect it.

I might usefully conclude with a few "Don'ts" for trade mark owners, culled from a very large experience :

DON'T build up a business under a mark which is not registered or capable of registration.

DON'T adopt a mark which is offensive to eye or ear.

DON'T adopt a cumbrous or unpronounceable word, or a confused or ugly device.

DON'T adopt a descriptive word, a geographical name, a surname, numerals, or letters as a trade mark.

DON'T adopt a mark which is deceptive or misleading in any respect.

DON'T use your name before your mark, unless there are very special circumstances which render it necessary or advisable.

DON'T licence or otherwise permit the use of your

mark in connection with goods not of your manufacture or selection.

DON'T imitate the mark of another or copy his ideas.

DON'T hesitate about advertising your mark.

DON'T delay the registration of your trade mark in every country in which you are or are likely to be interested. To-morrow may be too late.

DON'T abandon the use of your mark for any goods in connection with which you desire to preserve your claim to it.

And if, after these "Don'ts," you would like a "Do," I would repeat :

DO remember that a good trade mark is what you make it. Back it up by judicious and extensive advertising of the commodity.



John Maltwood

CHAPTER XVII

THE REWARD OF COURAGE

BY JOHN MALTWOOD

Managing Director of Oxo, Ltd.

WE may agree that business men needed, and have displayed, no small courage in the trying period of the war. At the beginning, of course, came the sternest trial. The tying-up of money, the jump in the Bank rate, the moratorium, the commandeering

of the railways and means of transit generally, the difficulty of obtaining coal and materials and above all the necessity of encouraging those members of our staff which were available for service to join the colours, and the consequent internal disorganisation thereby produced, all these things are now, happily, an old story ; but at the time they gave the business world an exceedingly difficult and anxious time.

But it was no lack of courage on the trader's part which induced him to shut down advertising at first. He had an entirely new situation to study on short notice ; until he had sat down and considered it attentively, and until it had straightened out somewhat, it would have been wildly imprudent to have done other than what he did do. The "Business as usual" cry was heroic, but—at that moment—tragically untrue. So that the accusation of fright sometimes made against the advertiser in respect of his general retreat from the newspaper Press in August, 1914, is not a fair charge.

But when things had straightened out there was a real opportunity for courage.

In the case of Oxo, we restarted advertising quite early. I hasten to forego any claim to courage, however, for obviously Oxo was one of those articles which found themselves in special demand as the direct result of the war. That was to be foreseen, and from the moment when the telegram announcing the imminence of war reached me in the middle of a fishing holiday in Wales I had no doubt at all as to the proper course to pursue. I prepared to continue our advertising

heavily as soon as events had shaken down, and as a matter of fact, our page advertisements began to appear on August 15th.

But although I would not put forward our war-time advertising as an instance of courage, I claim the fortunate position which enabled us to take that course as an illustration of the reward of courage. Our peace advertising in the years before the war had been on a courageous scale, and the reward was reaped in this period of crisis. Business courage finds its chief outlet and expression in advertising ; if you want to test that virtue in a firm, it is its advertising that provides the measure. Our advertising had been so extensive that when the question of provisioning the forces came up Oxo was among the first thoughts to occur.

There is here, I believe, a real lesson for to-day.

It was the power of previous courage in advertising which accounted for the fact that, whereas August is usually a slack month with us, the August of 1914, the first month of the war, saw us doing five times the normal trade. Soldiers writing home in letters, many of which were published in the Press, asked for Oxo to be sent them—a spontaneous advertisement of inestimable value, for which, again, previous advertising was responsible. It was not the war which put into our hands the large new trade that has, in fact, accompanied it, but the achievement of advertising in making Oxo so well known that what might have been a great business disaster proved an

exceptionally favourable opportunity. Our reward has been the reward of courage.

The same reward awaits courage in war time.

The trader to-day has at his disposal the most powerful advertising medium in the world, the British daily newspapers.

A rich crop of trade for those British firms who have maintained their advertising must inevitably spring from the courage they have displayed.

I think it is due to the Press to say that newspaper advertising to-day is in a very high state of efficiency. The introduction of the expert advertising agent, the skilled advertisement writer, the live advertisement manager—all comparatively modern innovations—has tremendously increased the pulling power of traders' announcements. One of the best examples of efficient advertising is the composite pages of advertisements and news articles treating of the advertised commodities in a way interesting to the general reader. They are a very important factor in advertising. The excellent results experienced from them prove that the newspaper reader, far from objecting to them, welcomes them, which points the way to large possibilities in the vast unexplored field of advertising awaiting the conquest of the courageous trader.

Courage, combined with intelligence, should be the trader's watchword. He is bound to gain by it he is sure to lose without it.

Advertisements to-day are more interesting than ever before, and as a consequence the newspaper readers of to-day take a far greater interest in them

than formerly. The advertiser should co-operate with the editor, and his ideal should be to make his advertisements a part of the news of the paper; he should present some new feature about his article, something of interest to the reader, if possible something more arresting than any other piece of news in the paper. In bygone days, when the advertising pages were severely censored by the editor, and display and illustration were banned, the favourite attempt to arrest attention consisted in reiteration; but now, with a free hand to illustrate and use display type, the preparation of an arresting advertisement is a comparatively easy task, while if one's business is one's hobby it is easy to find interesting items to write about in one's advertisements.

CHAPTER XVIII

TRADE WITH THE DOMINIONS

By LIONEL JACKSON

Director of G. Street and Co., Ltd., Advertising Agents

SOME thirty-five years ago a stranger walked into my father's office and announced that he represented the Dominion of Canada, which proposed to start a campaign of advertising.

At that time such an idea was entirely unknown, and I can imagine that its novelty for the moment took my father aback. As compared with to-day, newspapers were conservative institutions, and advertising was a correspondingly demure and mild art. The notion of a distant colony advertising itself in British newspapers was assuredly a bold one thirty-five years ago.

But Canada, ever a pioneer and a breaker of crusted conventions, persisted, with what results we all know. At first her expenditure was small. But in the year 1912-13 her European expenditure on immigration printing and advertising figures in the report of the Auditor-General at 58,340 dollars. Of this, by far the greater part was spent in Great Britain, only some 6,000 dollars being to the Continent.

The result of Canadian experiment—bold almost to the point of wildness as it appeared in those early

days—is a striking tribute to the power of the Press as a medium of appeal to the public. To-day there is scarcely any State of the Empire which does not spend large sums every year in advertising its requirements of labour and capital, and the advantages it offers to immigrants.

The only requirement Canada does not advertise for is skilled labour, the supply of which has been quite equal to the demand for some time past. Canada's chief needs are men for agricultural development and girls for domestic service. For the obtaining of these her organisation on both sides of the water is a model of efficiency. She initiated those free grants of land—100 to 200 acres of forest land or 160 acres ("quarter-sections") of prairie land on conditions of cultivation and residence—which have proved such a profitable temptation to hundreds of young agricultural men with or without a little capital in the home land. The newspaper advertisements she backs up with numerous lectures in the chief provincial centres of population and the villages, by posters, and by the liberal distribution of literature to schools and other likely places. She has stands at all the agricultural shows, and she sends lecturers to tour the markets by motor car, with samples of Canadian agricultural products. On her side of the water she has her agencies for looking after the immigrants on their arrival, as well as various unofficial agencies, like the **Salvation Army**, and in the case of domestic servants the railway and shipping companies which take charge of selected parties of girls, in whose interests they

employ matrons to travel across the ocean with them.

Australia works along somewhat similar lines to those of Canada, but of course with variations of detail to suit her special requirements. Good use is made of outdoor publicity by means of showcases, and the large hoarding surrounding the site of the new Commonwealth offices is always covered by fine posters, both pictorial and typographical, demonstrating her wonderful resources and products. The States of the Commonwealth, in addition to the general publicity of the Central Government, also advertise independently, having their own individual requirements. Queensland has advertised for labour for her agricultural industries, Western Australia for farm labour, New South Wales and Victoria for farm labour and domestic servants, and so on.

New Zealand has been a large advertiser for agricultural and domestic servants for many years past. I believe she was the first Dominion Government to institute the scheme of "assisted passages," worked originally through the shipping companies.

It is interesting to observe how this Imperial advertising has incidentally developed other important advertising.

Obviously the intense stimulus to emigration which the Dominions imparted by their publicity campaigns created a great increase in shipping and railway traffic, and the shipping and colonial railway companies found it necessary—necessary because it was profitable—to extend their advertising more and more.

So numerous were the emigrants to Canada, Australia, and other Dominions that the steamship companies were able to run special ships to accommodate them. It therefore paid these companies to let the public know the transit advantages which they afforded. The railways of the Dominions, especially those of Canada, discovered the advantage to their own business of inducing emigrants to settle on their systems ; and, again, advertising was recognised to be the best way of doing it.

Some of the railways add to the advantages offered by the Dominion special extra inducements of their own. Thus the Midland Railway of Western Australia offers "partly developed farms," enabling a man with some capital to buy a farm with the house already built. This acts as a guarantee that the emigrant will be settled on the company's system, and thereby become a customer of the railway.

Recently advertising has been employed by the oversea State railways and the steamship companies--often, of course, under joint or associated control--to develop not only the emigration business, but the tourist traffic. The Englishman, always a traveller, is responding well to any encouragement given him to travel in the British Dominions. There is a vast field of enterprise here. Consider how enormously the Englishman travels in foreign countries. Europe is overrun by him. Why are not our Dominions equally attractive to him in holiday mood ? The reason is very largely that he is ignorant of the facilities for getting there, of the interesting things he

can see and do there, and of the means provided, once there, of getting about.

Experience is already proving that when this information is well advertised, he is very amenable to the suggestion of a colonial holiday. Several of the Canadian railways now run fortnight tours over their systems, and the South African railways, as I have indicated, apparently intend doing important things in the development of the same business.

To any thinking man it must be obvious, from the very brief and skeletonised sketch, that my space has enabled me to give of what the Dominions are doing in the direction of publicity, that their advertising has not only answered their own purpose and directly created new business for the railways and the steamships, but it has also created an enormous extension of the market for every other advertiser. The crowd of emigrants who leave our shores every year for the Overseas Dominions carry with them a natural preference for the British goods with which home advertising has familiarised them. They go out to Canada or Australia or New Zealand or South Africa, and when they begin buying over there they seek out the articles they were accustomed to buy here. Thus an advertisement in a daily newspaper published in London may lead to the creation of a demand for the advertised article in Manitoba, or the back blocks of Australia, or the towns of the African veldt. This illustrates and it explains the illimitable power of advertising. Just as the wind scatters broadcast the seeds of plants and causes their propagation in places

far distant from where they first fall, so emigration distributes all over the globe the seeds of business which the advertisement originally sows.

It is therefore a very wise move to study the placing of advertisements in such manner that the special population upon which the Dominions draw becomes well accustomed to them. The crowded industrial areas of the North—as *The Daily News* with its Manchester office, and Northern circulation, is aware—provide a very important annual contribution to the emigration statistics. They should be assiduously cultivated by the general advertiser. To capture them is to capture future markets in the overseas States, with possibilities of world trade beyond computation. The Dominion advertising has naturally been suspended since the war, but to the ordinary advertiser the present time offers an opportunity of "booking advance stalls" for the great business boom that is sure to follow the war, which he will indeed be foolish to neglect.

L. Jackson



Thomas R. Dewar

CHAPTER XIX

THE USE OF ART IN COMMERCE

By SIR THOMAS R. DEWAR

Managing Director of Messrs. John Dewar and Sons, Ltd., Chairman of Messrs. A. and F. Pears, Ltd.

I AM a great believer in attracting the public eye to an advertisement by means of an illustration, a picture that will tell a story with as little "copy" as possible. In these rapidly-moving times, catching the public's eye is as difficult as catching the Speaker's

eye in the House of Commons. To do it something striking and attractive is necessary. If one can first of all attract the public's attention to a well-designed picture they will be much more inclined to read what one has to tell them.

Twenty years ago the crude, cold advertisement eulogising what you had to sell satisfied the conditions of the time. It does not answer now. For one thing, it has to compete with news columns much more ingeniously contrived than of old. Nowadays every headline to an item of news is framed as an advertisement, picturesque, and concise, of the "story" underneath, thus bidding strongly for the public interest against the advertisement columns. The papers are also more numerous, and so leave less time for the public to read advertisements.

Yet newspaper advertising is more than ever necessary, and more than ever productive, to the business man. It remains the surest means of reaching the largest public. But he must make his advertising bold and attractive. Let the picture on the hoardings be so attractive that the people will miss their trains. Collaborate art with industry.

First be sure your article is right—then go ahead. The public to-day are good judges, and insist on better value in most commodities than they did a decade ago. The larger the turnover the less percentage is absorbed by expenses, and the producer can afford to give the consumers better value. There is almost as much money wasted in attempting to sell bad articles by advertising as there is spent in trying

to develop gold mines. You must know what the public want, then let them have it ; and you must use the Press in the same way as, in the old days, you used the shop window. A bold display advertisement is a shop window, but a mobile shop window, that travels and reproduces itself everywhere.

The prophet without honour is the man who does not know how to advertise.

In my own experience, I do not know a better example of success in concentrating attention at a glance on an article by means of illustration than the picture which I had produced about twenty years ago. It represents a young Scottish laird seated with a bottle on the table by his side, and his ancestors, portrayed on the walls behind him, reaching out of their frames to seize the bottle. The life of an ordinary show-card is about two years, but the demand for that picture from all parts of the world is as great to-day as when we first produced it.

It may be interesting to mention, by the way, that the Gilbert and Sullivan opera, "Ruddigore," in which the ancestors of the Murgatroyds step out of their frames on to the stage, provided the idea of that picture. I have always taken a great interest in art, and when I have an evening off I still like to step round to the Heatherley School of Fine Art and paint with the other students.

It is a strong hope of mine that the illustrated papers will one day produce coloured advertisements. A picture advertisement without bold colours—reds, purples, yellows, and so on—loses much of its force.

The time should not be far distant when they will be able to do this, and advertisements will then be far more attractive to the public.

The evolution from one advertisement to the next goes with the same regularity in fashion as ladies' dresses.

I followed up the picture referred to by a series of other picture advertisements—all done by high-class artists, for in my opinion the medium for advertising a high-class article should always itself be high-class, even though the public may not generally appreciate the quality. The connoisseurs find it out, and they are worth pleasing. A cheap style always denotes a cheap article.

The Americans have a saying that :

The man who on his trade relies
Must either bust or advertise.

The American public generally do not resent advertisement, or object to buying an advertised article. The result is that an advertiser gets a quicker return for his money over there than he does here. In this country some people shudder at the very thought of advertising. They dislike advertisements and object to advertised articles, and they have a particular hostility to the man who advertises. There is always a cloud of suspicion round the advertising man's head, a thought that he is anxious to make £ s. d. out of the events of his daily life. If he were to get run over by a coster's cart in the middle of the street some people would believe he did it for advertisement. And I sympathise with that view to this extent—that I think the only legitimate channel for

advertisement is in the advertisement columns of the Press, on the hoardings, and on moving objects like motor-buses and trams. Fantastic advertisements contrived from incidents of private life only arouse the contempt of the British public, and rightly so. They do not pay. They only counteract the effect of legitimate advertising.

One frequently hears the question asked—Does advertising pay? The best answer to that is another question—If advertising does not pay, how is it that so much money continues to be spent every month on it? Keep on advertising and advertising will keep you. Advertising is to business what imagination is to poetry.

W. E. Gladstone said that nothing except the Mint could make money without advertising. In politics, law, physics and divinity everybody's advertising—and they do not all pay for space.

If one were to trace back to their beginnings most of the large firms who to-day enjoy an enormous turnover and pay large dividends, it would be found that 90 per cent. of them began in small shops in back streets, and scored their success through advertising in some form or another. Make the people make a beaten track to your door. You may own the best article that it is possible to produce, but if it is not bruited abroad by universal advertising you will only get a local reputation and a local sale. A New Zealander is much more disposed to buy an article by seeing it advertised in London, or somewhere else far away from his home, than he is by seeing it advertised

only at home. It is important to catch the eye of the travelled public, to impress them as they pass through the great centres like London, Paris, and New York ; they pass along and create business for you in all parts of the world. Merely local advertising is, therefore, less economical than universal advertising.

The circulation of money is the life of trade : the rich man's money is being distributed to-day in a manner which could not have happened under any other conditions, and there seems enough and to spare, seeing the London joint stock banks alone to-day hold £106,432,021 more in their deposit and current accounts than a year ago.



CHAPTER XX

SUCCESS AND FAILURE IN ADVERTISING

BY THE EDITOR OF THE "ADVERTISER'S
WEEKLY"

TO-DAY advertising is an influence used by the highest social, political, and commercial interests. The Prince of Wales' appeal was largely popularised by modern advertising methods, but the present heir to the Throne does not set a Royal precedent, for advertising methods played a great part in ensuring the success of the appeal on behalf of the late King

Edward's Hospital Fund. To-day advertising is helping in the greatest movement in England—the recruiting for Kitchener's Army. Publicity has been used to attract colonists and settlers—the Governments of Canada, Australia, and New Zealand are already strenuous advertisers. No modern undertaking is too big to despise publicity.

Growth of the advertising idea has led to much writing and talking about the subject, and the essential simplicity of successful advertising tends to become obscured by a welter of definitions circulated by experts. Advertising, after all, is only an extension of the work done by the now vanishing town crier. If you want people to come to a sale you tell them there is a sale. If people do not know when a sale is to take place they cannot be expected to attend. The problem of the advertiser is just as simple as that—he is going to do something or to sell something, and to ensure the success of his action or his selling he needs to tell people of his intentions in the quickest and most economical way. If a man has only one thing to sell he does his own advertising, by going out and finding the one man who is likely to buy it. If he has a million things to sell his problem is different. He cannot go out and influence a million people to purchase. He has to discover a means of reaching the million people, apart from direct personal effort, and he finds the machine capable of "telling people all about it" in modern advertising. Advertising is just as simple as that. It may appear less simple through elaboration, in the same way that a great store becomes less

simple than a small retail business, or a railway less simple than the old carrier's cart. At first sight it is a far cry from the bellman to the daily paper approaching a million circulation, employing a highly trained staff, and as much mechanical aid as is necessary to the successful running of an Atlantic liner.

Success in advertising, to my mind, depends on a clear understanding of the simplicity of the advertising problem. Failure is usually the result of a confusion of thought on the same subject. Within my recollection a superior person wrote a book to show how he loathed modern publicity—surely the height of mental confusion, when the very act of publishing a book on any subject expresses a desire to propagate the ideas of the writer by bringing them before the public—by advertising them. The author of the particular book was not a successful advertiser, for a very good reason—he did not understand publicity. His book is forgotten, but advertising goes on in ever increasing volume.

To-day one meets ultra-conservative business men who, declining to use publicity, consider they shatter the case for advertising by stating their belief that "a good article should sell on its merits." Again there is a confusion of thought. The man who believes a good article should sell on its merits usually adds that only poor articles need advertising. As a matter of fact, the better the article, the easier it is to make sales for it by advertising. The worse the article, the more difficult it becomes to make sales for the thing, even when the selling plan is backed by publicity.

A good article may sell on its merits, but someone has to know of the merit of a thing before a sale is effected, and the more the merit of the article is made known, the greater will be the sales. Advertising, in itself, is neither a moral nor an immoral factor. It is a machine performing a definite function—that of conveying the trader's message to the public. A church does not hesitate to advertise the visit of a bishop or a popular preacher. Nothing is too good to advertise. Quality in an article is the best reason a vendor can advance for his desire to tell people all about it. The honest trader who refrains from using advertising because some advertised proposals have been dishonest is in much the same position as a man would be who refused to use a razor or a table-knife because steel is associated with the ravages of the sword.

The reason for failure of advertising operations is more difficult to trace. Failure can mar honest effort in advertising, and publicity schemes that ought to succeed sometimes fail without apparent reason. Generally, the reason for failure is closely associated with the fact that the advertiser has lost sight of his mission and has failed in his chief purpose—that of “telling the public all about it.” I saw a page advertisement in a weekly paper the other day, for which I anticipated failure. In every respect but one the advertisement was effective. The exception, however, was fatal. The advertisement offered a sweetmeat under a title that did not indicate the character of the article. So far as the advertise-

ment was concerned, the article offered might have been a sweetmeat, a tobacco, a cigarette, a geological specimen, or half a dozen more different things. In this case, the advertisers, representing a house of undoubted integrity, ran the risk of failure by omitting to tell the public just what it was they were offering.

A campaign supporting a breakfast food—a genuinely good article—also failed to make good years ago. The advertisers were bent on being funny and forgot to be factful. The business of the company in this case was to tell the public the reasons why it should use an entirely new food as a breakfast dish. The advertisers published illustrations showing a grotesque old gentleman jumping over a fence, and in their desire to explain how he felt about things in general seemed to forget all about the food they had to sell. That scheme failed, and the reason was obvious. One cannot afford to be funny when trying to teach the public how to use a new breakfast food. One well-known and successful advertiser failed by telling the public of the quality of his goods before he could deliver the article itself. The article was a new form of soap, and a very good thing too in the experimental stages—good enough to justify extravagant advertising. The advertising was put out, a demand was created, and then—it was found the new machinery laid down would not produce the quantities of soap desired. In this case the advertising succeeded too well. The advertiser was caught selling something he did not possess, but it is to the credit of advertising that the orders were rolling in when the campaign was

shut down. Failure in this case was due to the fact that the advertiser started telling the public about his goods too soon. Success came later, when a satisfactory plant was erected and the output grew big enough to keep pace with the demand.

Failure to make good with honest staples is very often due to mistakes outside the scope of advertising. Strangers from abroad attack our markets without studying the habits of the people or the business methods of certain trades. Again, many a trader has been ruined by his advertising being too successful. Demand has been created before the trader has arranged satisfactory distribution. Sometimes ill-considered advertising has produced a demand that could not be met at a profit. Failure along these lines does not lie at the door of advertising. I have been associated with many advertising campaigns, and I have rarely known one to fail when the advertiser has had a clear idea of his responsibilities not only in creating demand, but in meeting demand when advertising has created it.

The success of advertising as advertising depends upon making the case for the purchase of goods as clear as possible to the buying public. Behind this—the full share of advertising in any campaign—there must be factors unconnected with publicity. The goods must be right, the system of distribution effective, and the cost of advertising or selling, in strict proportional relationship to the profits earned. Failure usually means that the advertiser has gone wrong on one or more of these points.



CHAPTER XXI

THE GOODWILL OF THE PEOPLE

BY A. W. GAMAGE

Managing Director, A. W. Gamage, Ltd.

To create a friendly feeling on the part of the public towards his shop and his business and himself should be one of the first things aimed at by the trader. A man without personality does not go very far in the

world : nor does the business without personality. If you look at any of the big business houses in London, you will agree that each is associated in the public mind with some quality, or collection of qualities, peculiar to itself. Its rivals may be as big, as well-known, and as popular, but each of them stands for something different. There is something about it all its own which distinguishes it so clearly from every other house that there is no possibility of it being confounded with another.

That is the personality of the business. That is what you think of at once when its name is mentioned.

I speak from the experience of Gamage's. This business has been built up upon the increasing goodwill of the public. Withdraw that, and the business would collapse. By unceasing publicity we have made ourselves familiar to the public in a certain way that is our own way, and not anybody else's way, and upon that feeling of friendly familiarity we thrive.

The value of this public goodwill to a business might be illustrated in a hundred ways. A man came to me a few days ago and said he had been equipping a troop of boy scouts. They had obtained most of their things at Gamage's, and the name (said he) being such a familiar one, they wanted my permission to call themselves "Gamage's Scouts."

That's goodwill.

The War Office was going over with an officer the scheme of a new invention he had designed. They seemed favourably impressed, and desired a more practical examination of its possibilities ; and suggested

further models should be made. The patentee being at a loss to know where to go to get these made, told his trouble, and the War Office advised him to go to Gamage's, and to Gamage's he went and got what he required. Goodwill again.

The Admiralty recently started a new unit, for which uniforms were wanted quickly. Someone said to the officer : " Go down and ask Gamage's if they can turn out so many uniforms in a few days." He did, and got the uniforms.

Kitchener's new Army wanted spring bayonet muskets for drilling recruits ; stocks were soon exhausted ; gun-makers were too busy making rifles to trouble about such trifles, and O.C.s were at their wits' end to know where to get supplies ; someone suggested Gamage's, and to Gamage's they came, so to meet the want Gamage's made them at their factory.

I was at a camp where an officer complained to me that they could not obtain aiming tripod stands from the Ordnance for teaching recruits to aim correctly.

I took a specimen away with me, and made what they wanted.

Here, again, was goodwill in operation ; the personality of the business had gained it friends, who, at the moment of need, turned to it with confidence.

There is only one way of creating this goodwill.

The trader must make himself thoroughly well known to the public by the constant use of the daily newspapers. If his business is honest and his methods are efficient, newspaper advertising cannot fail to surround him with an ever-extending sympathy which

as it grows, makes success easier and surer at the same time.

Advertising through the newspapers needs to be well backed up. It attracts so many inquiries from so many different quarters that the trader who employs that means has to be ready to satisfy them through the machinery of circulars and catalogues. Otherwise his advertising will produce a harvest of disappointment. But I cannot imagine that that necessity will deter him, for it is the best proof of the extraordinary penetrating power of the newspaper advertisement. He will find the newspaper has silently and inexpensively created markets for him in places undreamed of, and he has got to be ready for them when the demand comes.

I never add a new line to my stock, or a new department to my trade, without immediately telling the public all about it. For the giving of full information is a very important factor in the creation of goodwill. The reader of *The Daily News*, a type of the class that always studies advertisements with care, is kept constantly informed of what Gamage's have to offer him, and thus he gets into the habit of turning up the Gamage advertisement whenever he discovers a new want. He knows from experience where he is likely to find all about it.

We foster the same spirit of personal association between shop and customer by the system of filing the name and address of every customer who buys anything of us up to the value of 10s. From that time, every new circular issued and every new

catalogue published, goes promptly to his address. The trader should set himself the object of never losing touch with his customers. Nor must they be allowed to be dissatisfied. Should one complain of an article, it must be changed to his satisfaction, even though at a loss to the trader. The gain in goodwill will prove much greater than the mere loss on the article.

The thought must often occur to the man who runs a large store that if the proprietors of the articles he sells were to advertise them more thoroughly, how much easier it would be for him to sell them ! This aspect of advertising is frequently overlooked. The large store is a medium through which manufacturers of specialities make their sales and their profits. It should be obvious that the more those things are advertised, independently of the advertisement they get through being stocked and catalogued by the store, the easier it is for the store to sell them, and the quicker is the return of profit to the manufacturer. There is a vast field open to the advertiser in this direction. The man who does not advertise is really wasting a considerable proportion of the selling facilities which the organisation of the store places at his disposal.



W. E. Catesby

CHAPTER XXII

THE ENGLISHMAN'S HOME

BY W. E. CATESBY, J.P.

Chairman of Messrs. Catesbys, Ltd.

THE most important of the principles which the war vindicated is that of maintaining publicity for one's business in general and for one's specialities in particular. I deliberately say that had we yielded to the panic tendency displayed in some quarters and completely closed down our advertising, we should not

have stood to-day in the favourable position we find ourselves.

It will be useful, in order to understand the position in war time of a business which caters mainly for "the Englishman's home," to keep in mind the articles in which we chiefly trade. Apart from our Cork Lino, which the name of Catesby is primarily associated with, we sell general furniture, boots, clothing, carpets, jewellery, plate, gramophones, and so on. It will readily be recognised that these are articles which the average household, under the influence of war economy suddenly forced upon it, felt most disposed to retrench on. The seriousness of the problem we had to face will be realised.

Take boots and clothes as an example of what we had to legislate for.

In normal years we sell great quantities of these articles, and our customers are mainly young men. The splendid rush of recruits to the colours deprived us of thousands of such customers, whose boots and clothes were being supplied to them by the Government. That is an illustration.

However, we had the experience of the Boer war to guide us. It was very valuable, although, of course, the Boer war was not to be compared with this one in magnitude and cost. In Cornwall, where I was holiday-making when the war broke out, I recalled what we had done then. At the beginning of that war we had considerably limited our advertising; but we got so slack that special advertising efforts

had to be applied from time to time so as to maintain a fair influx of trade.

The lesson was obvious. We applied it to the new situation that arose last August. Economies were necessary here and there, but we decided that whatever else we discontinued, we could not afford to discontinue advertising. Consequently we maintained our business appeal to readers of papers like *The Daily News*, which goes into houses where the home life and all that appertains to it are matters of special consideration.

It was most strongly impressed upon us by the experience of the Boer war that the public will very soon forget you if you cease to remind them incessantly of your existence. The value of being always in mind is something which I believe many business houses and proprietors of branded goods are underestimating to-day. None of them can afford to be forgotten. If the public forgets them, they are lost.

If I had to point to a definite piece of evidence that advertising had been to us of the value which I have attributed to it, I should select the fact that our cash trade has shown no material decline since the war. The buying over the counter, so to speak, for money down has gone on much as usual ; and I ascribe that to the fact that our advertising has suggested to the large numbers of wage-earners in war industries, who have been earning more owing to the war, and to the large number of families who have been better off because of separation allowances and billeting money, a wise way of laying out the extra money.

In the main the housewives in this country are very prudent people. It is quite a mistake to suppose that as a class the working people are improvident and reckless with their money. That is a slander which every business man who has to deal with them strongly resents. The fact is—and how comparatively few are those traders who realise it!—the surplus of cash among the masses of the people is being steadily invested in all sorts of useful requirements. The advertisers are getting it—the non-advertisers certainly are not!

That reminds me of another fact about which the timid trader appears uncertain. The legion of customers to whom we make our chief appeal prove scrupulously honest in keeping up their payments. What proof could be better than this—We do a very large business on the periodical payment system, yet our collecting staff is not a great one, because the great bulk of the payments—5s. at a time or more—is posted to us regularly month by month, and the cases in which we need to press for payment are so few as to be almost negligible.

Of the future I am, as I started by saying, entirely optimistic.

Taking the outlook with a due consideration for all the special circumstances, I am fully convinced that trade is on the increase, and will continue to expand; and that the trader who withholds his advertising at the present juncture will be cheating himself of an opportunity which will prove of enormous importance in years to come.



Philip Smith

CHAPTER XXIII

INTENSIVE ADVERTISING

By PHILIP SMITH

Principal Director of Smith's Advertising Agency.

THE most important clients of the firm with which I am associated began in a small way. They had a good article to sell—the first essential of success—and they elected, as the surest and the quickest way to develop their business, to advertise as vigorously as their capital would allow. In some cases the first appropriation was not more than £100,

INTENSIVE ADVERTISING

In almost every case, the small beginning expanded into a great and flourishing business. The results achieved justified the methods, and provide the most eloquent vindication of advertising as a success-bringer. Incidentally I am convinced that given certain conditions so small a sum as £100 can, even in these keenly competitive days, be the means not only of demonstrating a profitable venture but of itself producing a profit.

At any time, there are four things essential to successful results in advertising. They are :

1. The article advertised must possess intrinsic merit, and be placed on the market at a reasonable price.
2. It must supply a known want.
3. It should possess selling points or arguments distinct from those of its competitors.
4. It must be advertised in carefully chosen media, with an "economic" use of space, and the arguments must be presented in a form which will most effectively reach the class of buyer interested.

It is no use advertising an article that is bad, for the public soon finds it out. No bad article sells for long. It is no use advertising a good article at an unreasonable price. It is no use advertising an article that only a few people want.

The habitual advertiser sometimes overlooks the fact that he obtains his chief results from his appeals to the masses of the people. It is not the wealthy few who make advertising worth while. The whole art

is to induce large numbers of people to buy your goods at the same time. An immense and rapid turnover is the thing that brings the profit. Now the masses of the people of this country, the artisans and the middle classes, are little affected by the war ; less so than the wealthy classes, who, because normally they buy a greater variety of things, are induced by the pressure of the war to close down on a greater variety of things. To the ordinary citizen, the man with a comfortable home, steady employment, and a margin of income over and above the essential out-goings war has less privations than we expected.

To analyse the situation more closely, it should perhaps be pointed out that the division of advertising into the two methods of proprietary and mail order presents somewhat different problems at these times.

Generally speaking, I can confidently advise those who are seeking trade for a necessity to do so boldly. The very conditions have helped us to produce, and for our clients to receive, better results at relatively less cost.

To the mail order advertiser, whatever his goods may be, I think the best advice is to experiment, for almost every penny expended and all business resulting can, under a system of mail order, be systematically "keyed" and satisfactorily traced, thus reducing the waste element to a minimum. In several cases my clients and I have found better results than we expected, with the result that expenditures have been increased.

It is, of course, necessary that the advertising

should be well-schemed. At all times this is true. I think that one of the secrets of successful advertising is the practice of "intensiveness," which is the antithesis of indiscriminate broadcast advertising, which once held the field. The modern advertiser does not cast his bread upon the waters in the hope of it coming back to him after many days. A quick return is the present-day objective, and so we study the medium through which it is proposed to appeal ; we make ourselves thoroughly acquainted with the psychology of the special public among which each newspaper or other medium circulates ; and we adapt our appeal to the circumstances of the moment. The principle of "intensiveness" can be successfully applied to selection of media, dimension of space, and the story to be told. More often than not I have found it profitable to intensify our efforts in every direction.

I began by alluding to those advantages of advertising which were regarded as truisms in normal times ; but the fact is that even in peace conditions British business men are not fully alive to the true value of advertising. Far too many British firms advertise solely because they are driven into it by their competitors. They spend as little as they feel compelled to do, and what they do spend is spent grudgingly. The full fruits of advertising are never obtained that way. (The business man should use advertising as a weapon of offence in the trade war,) not as a mere means of keeping "up sides" with his competitors. It only yields its full profit when used boldly and

freely with a single end to the conquest of new trade. There are plenty of opportunities for new departures in advertising even now. The public is keenly on the look-out for good, cheap things, and those with articles which are in line with present-day requirements are foolish if they do not seize this exceptionally favourable moment.



Sir George Riddell

CHAPTER XXIV

PHILOSOPHY IN BUSINESS

BY SIR GEORGE RIDDELL

*Director of "The News of the World," Ltd., the
"Western Mail," Ltd., Messrs. George Newnes, Ltd.,
Messrs. C. Arthur Pearson, Ltd., "The Ladies' Field,"
Ltd., "Country Life," Ltd., and Caxton Publishing
Co., Ltd.*

IT is a common error to suppose that most people are

anxious seekers after truth. As a general rule, a man is annoyed if he feels that he has been worsted in an argument. Very often he will stick to his opinion out of sheer obstinacy. On the other hand, if the points are put or suggested without raising his combative instincts, and causing him to commit himself to the opposite view, he will think them over, and probably adopt the plan proposed. In most cases, therefore, it is wise to endeavour to state your case without argument.

In business affairs always under-state rather than over-state your case. Moderation leads to conviction. Never wound a man's self-esteem by proving by conclusive arguments that his position is absurd. Do not be in a hurry. You cannot expect a man to perform in half an hour the mental evolutions which probably have taken you several days or months. Most people alter their opinions with deliberation. Remember that prejudice is more powerful than reason. You cannot hope to overcome prejudice by a frontal attack. You must endeavour to turn the enemy's flank by raising points with which he is likely to agree, and which when conceded will tend to make his main position untenable.

If you wish to carry a complicated proposal, which meets with strong opposition, always keep the discussion to the principles. Leave the details to be dealt with later, and if possible by third parties, who will regard themselves as delegates charged with the duty of making effective the general agreement of the principal actors in the drama. Sometimes it is well to

adopt the further expedient of providing that, in default of agreement, any disputed detail shall be settled by some independent person. On the other hand, if you wish to defeat a proposal which involves principles and details, you may often achieve your object by fastening and insisting upon some point of detail which bristles with difficulties.

It is a common device on the part of military commanders and prize-fighters to counter an attack at one point by a violent attack at another. The same plan is frequently adopted in controversy. In vital discussions, particularly in popular assemblies, it often succeeds. In disputes by correspondence it is not so successful. The opponent has more time to think and frame his reply. And he is not so likely to lose his temper.

Do not attach too much importance to a man's reputation for ability and cleverness. Try and form your own estimate of him, but do not be too much influenced by the result of a close and intimate investigation. Having examined the details, try and look at your subject from a little distance in the same way as you would look at a picture. You cannot form a right conception if you pay too much attention to small defects and incongruities. The question is : What does the man accomplish ? Does he do the thing himself ? Has he created something, or is he a mere figurehead who has either achieved his position by accident of birth, or by the automatic promotion which sometimes obtains in great organisations ? Do not forget the power of the machine which for years

carries along many businesses with very little guidance by those in control. A man with a great reputation may have become effete. In this country it usually takes years to build up a reputation, but when once established the public are slow to discover signs of decay. Many of the men who are employed to cover awkward situations by their names and reputations have long since ceased to be effective. Do not be overwhelmed by authority in matters of opinion. As Bacon says : " Disciples owe unto masters only a temporary belief and a suspension of their own judgment until they be fully instructed, and not an absolute resignation or perpetual captivity."

Many advertisers labour under a serious delusion. They seem to think, and perhaps they have been told, that advertising will sell anything. They overlook that advertising is only a part of the trader's organisation for selling goods. They do not realise that marketing and distribution are just as important as advertising. What useful purpose can be gained by advertising goods which the public cannot readily obtain, or which, whatever may be their intrinsic merits, are packed and presented in a form which would disgust the vendor's best friend ? Many advertising campaigns fail for this reason, and the reputation of the goods advertised is injured instead of being benefited. Customers who cannot obtain advertised goods are annoyed. They consider that the advertiser has given them unnecessary trouble. Probably they purchase a substitute, and never repeat their application for the advertised article.

Advertising creates the demand, and opens the mind of the trade to the possibilities of remunerative business. But advertising must go hand in hand with the commercial traveller, or some other efficient method of distribution. As a general rule the retailer will not order on his own initiative.

Some advertisers make the mistake of going to the opposite extreme. They load the retailers with large stocks with the result that they are unable to give the frequent repeat orders which are the life and soul of business. There is a pleasure in giving orders, and a dealer takes special interest in an article which does not drag and is continually going out of stock.

Advertising to be successful must form a part of a well-devised campaign. The article must be right ; the marketing and distribution must be right, and the advertising must be right. If the business is of the mail order type the letters must be well and aptly written. Slovenly correspondence frequently loses customers.

In the long run unremunerative advertising does not pay the newspaper proprietor. The dissatisfied advertiser is the worst of all possible advertisements for newspaper advertising. Since the war many advertisers have reduced or discontinued their advertising appropriations. No doubt in some cases they have acted wisely, but no better opportunity ever existed for firms who wish to make a popular appeal. The working classes have more money to-day than at

any previous period in their history, and unemployment, except in the case of certain women workers, is practically non-existent.

Now and then it is well to take stock of the situation. To sit down and think whether one is making the most of one's capacities and opportunities. Many busy men are so intent upon their daily work that they are apt to neglect this wise precaution.

In business, compromises are mostly ineffective. Different people may have different plans to achieve the same object. One method may be better than the others, but a combination of all the plans which will probably be executed by some person who does not believe in it is usually doomed to failure.

In business beware of forms of words which elude the settlement of the point in difference. It is sometimes possible to frame a resolution to which all will agree because, while deciding nothing, it recognises the varying points of view. This method of closing a discussion is no doubt useful in public life, where debates are often necessary to clear the air and to raise and point the issues, but in business, where definite decision and action are essential, it is highly prejudicial.

Most men who succeed in great undertakings are oblivious at the outset of their career of the difficulties and dangers to be encountered. This is a great source of strength. If you do not see the lions in the path you will probably brush by the beasts. In any case you will be happier and more energetic until you actually feel their claws. I remember asking a

celebrated jockey if he was ever nervous when riding a great race. He replied : " When I began riding the fences all seemed yards away, but afterwards when people began to discuss my style of riding I began to examine it myself. After that the fences always seemed to be about to graze my legs." The same thing applies to business undertakings. Oblivion to danger and difficulties is often a valuable asset. Everyone has the defects of his qualities. The sympathetic, sensitive man has many advantages. He is quick to note the impression which he makes upon others. He is quick to feel all the subtle indications of approval or disapproval. He is able quickly to trim his sails to meet the coming storm. But he has his disadvantages. He is apt to attach too much importance to the varying moods of those with whom he comes in contact. Moods which he often ascribes to the wrong cause. The man who is more obtuse has grave defects, but sometimes he blunders his way through while the more sensitive individual is deterred by snubs and rebuffs real or imagined. We are all apt to pay too much attention to what we hear other people have said about us. Always place the best construction not only on the doubtful sayings of your friends but on those of your enemies.

Tenacious and accurate memories are comparatively rare. Most people can memorise details for examination purposes, but few possess the faculty of remembering what they hear, read, and write in the course of their daily lives. This is due in a great measure to lack of interest and the practice of relying upon notes.

Notes are indispensable for recording figures, appointments, and technical details, but the man who for general purposes relies exclusively upon his notebook is at a serious disadvantage. He is lost without it. Most great men possess remarkable memories. Mr. Lloyd George, for example, can remember and recall with minute accuracy even the most trivial conversations and incidents months after they have occurred. Compare this with the achievements of the man who is often unable to recollect without reference the contents of an important letter which he wrote only a month ago.

Very few people are close and accurate observers. This again is due in a great measure to lack of interest. Most of us do not possess the percipient mind which notes the indications of changing fashions in habit and thought. The importance of keen and accurate observation to a business man cannot be overestimated. The shrewd observer sees the opportunity which others miss. He is also quick to note the indications of coming danger: the departments which are exhibiting signs of weakness and the men who are not suitable for the positions which they occupy. Accurate judgment of character depends largely upon careful observation: the observing of a mass of minute details which when assembled and weighed up in the mind enable us to discover and estimate the man. The person who possesses the rare gift of intuition is the best observer of all, because he observes subconsciously what other people seek to discover by design.

Nowadays maxims are not popular. But there is no doubt that a business man who has thought out certain principles of action which he has reduced into phrases has furnished himself with a valuable armoury. As Lord Fisher says, maxims act like a compass. They help to keep the ship on the right course. For example: It is a trite saying that "repetition leads to conviction." But an advertiser who has this maxim firmly planted in his mind, and who applies it regularly in his daily life, has a great advantage over his rival who, even if he has a settled plan of action, possesses no war cry to stimulate him and give him confidence in the hours of lassitude and disappointment which are necessarily incident to business life.



CHAPTER XXV

SILENT SALESMEN

BY C. F. HIGHAM

Head of Messrs. C. F. Higham, Ltd., Advertising Agents.

Is the "silent salesman"—the newspaper advertisement—any less necessary or effective in war time than in peace time? The biggest and the most successful business men do not worry themselves with the

question ; they answered the question very early in the war with a "No!" and they are more convinced than ever to-day of the correctness of that view.

But in the case of many other traders and manufacturers, I believe it would serve a useful purpose if I gave some reasons, out of a large and comprehensive experience, why the question is correctly answered in that way.

Now, of the many reasons why advertising in time of crisis is the only correct business policy, there are two which succinctly summarise the best points in all of them ; and I will put them in the forefront, because no judicious person will be disposed to dispute them. They belong to the category of things "which nobody can deny." First, advertised goods are good goods ; second, and following necessarily from that, they are the goods which it is most economical to buy.

It is absolutely necessary to study how to increase sales and turnover, which reduce the cost of production, keep the wheels of commerce revolving, and steady the labour market ; and all experience teaches that this can only be done by advertising. That is, in fact, the main purpose of advertising. That it fulfils the purpose is the most securely established fact in business history.

The advertiser is, of course, entitled to search carefully for that medium of advertising which is most economical for himself in these difficult times. He will not be long in discovering it. He has, in fact,

already discovered it, for the great bulk of advertising expenditure at the present time is being placed in the daily newspapers of large circulation.

They represent by far the most economical media of telling one's story to the general public. Through them the public is reading avidly of what is being done in these fascinating times by civilians at home and by our soldiers at the front. The most skilled writers of the day are addressing their millions of readers; and the same skill is being employed in the creation of advertising appeals. The advertisement writer's art partakes of the most successful elements of modern journalism. Just as a great journalist can give you a striking battle picture in a hundred graphic words, so the advertisement writer can convey to the reader a vivid impression of the article he is dealing with in a small space picturesquely used.)

I dwell on this because people are apt to forget that just as a great general is able to win a battle and yet may not be able to describe it, so a manufacturer who can buy and sell successfully may not have the skill to set forth the story of his product in such a manner that the public will care to read it. And I would add that the skilled advertisement writer has to be as conscientious and truthful, as well as equally entertaining, as the journalist must be in reporting an item of news.

The practical importance of this side of the question lies in the fact that thousands of pounds are wasted annually by advertisers who believe that they have only to purchase a certain amount of space in some

well-selected advertising medium, like *The Daily News*, and put in a few facts, and the whole business is done. That is not the case. Anyone can buy spaces in the great daily newspapers of this country, provided he is not advertising a fraudulent product or conducts a deceitful trade ; but there are very few men in the kingdom who know how to take that same amount of space and make it profitable—that is, so handle it that the public will (1) be attracted by the look of the advertisement ; (2) read it ; (3) be convinced of its sincerity and truth ; and (4) want to buy the article advertised. That is the function of the modern advertisement writer, and if he were employed to a greater extent than he is, advertising would be far less costly because far more productive.

There is another point about that which is worth making. It is this—the cost of successful advertising does not fall on the advertiser or on the public, *but on the traders who do not advertise.*

I will illustrate that by the case of “Summit” collars, because it is the most striking example I know.

Several years ago your average man went into your average shop and bought a nondescript collar for 6½d. Then Mr. Austin Reed decided to put on the market “Summit” collars. On the faith of what he believed advertising could do, he placed an order for a better grade of collar than had ever been sold before for 6½d., and as the result of large advertising in the daily Press and elsewhere he now sells over a million of those collars per annum. Here is the point I am making : the men of this country don’t wear more

collars than they did before, consequently Mr. Austin Reed must be making his profit and paying for his advertising *out of the collars that the other men don't sell.* The man who doesn't advertise is paying for the advertising of the man who does. Notice, too, that the public benefit ! for Mr. Reed would not be able to sell his million collars a year if they were not better collars than anyone else sells at 6½d. The public are getting better value.

I hope I have made clear in these remarks and illustrations what the function of an advertising man is. It is not necessary for him to know personally the details of the business he is advertising. It is not necessary, for instance, for me to know the details of manufacture of Gipsy Black Lead or Turog Bread, or Remington Typewriters. My function is to take facts from the men who have spent years in their particular business and present those facts to the public in language that the public can understand.

The value of that function ought not to require further emphasis to the man of open mind and business instinct.)



A handwritten signature in cursive script, appearing to read "A. J. Wilson". It is written in black ink on a white background, with a horizontal line underneath the signature.

CHAPTER XXVI

BUILDING A GREAT BUSINESS

BY A. J. WILSON

*Chairman and Managing Director of Messrs. A. J.
Wilson and Co., Ltd.*

OPPORTUNITIES always exist for the enterprising and far-sighted business man, and the more potential customers he can keep in touch with the greater scope he will find for his energies.

Twenty-five years ago the pneumatic tyre was just on the market. It was first sold in Dublin, and the Dunlop Company (on January 22nd, 1890) began its modest advertising campaign by the insertion of a double-page announcement in *The Irish Cyclist* for the purpose of acquainting the public with the merits of the new invention.

For the first four years the advertising was done spasmodically, solely in the papers devoted to cycling, which was then in the heyday of its popularity. It is, perhaps, interesting to note that soon after I commenced business as an advertising agent in 1894 there were no less than seventeen weekly papers solely or mainly devoted to cycling.

Even at that time, however, the Dunlop Company was looking ahead, and was preparing to build the vast business which it has to-day. It seems almost incredible to-day that in 1896 the use of motors upon our road was not legalised, yet in spite of this I inserted a Dunlop "Carriage Tyre" advertisement in a handbook upon "Motor Carriages," and thus put the company first in the field in the new industry. That position has been maintained by courage allied to foresight, as was shown in 1898, when the Dunlop Company decided to embark upon a more extensive appeal to the general public by utilising the columns of the London and provincial papers, daily and weekly, in addition to the technical Press.

(Those firms which even to-day regard advertising as a speculation instead of as the most powerful form of salesmanship) may take to heart the fact that

no less a sum than £10,000 was set aside for this single "experiment."

Since then, our expenditure upon the daily papers has gone on increasing annually. I should like it to be still larger, but the ramifications of the motor and cycle business extend to every town and village in the kingdom, and we have to set aside a large share of the appropriation for distribution among the leading provincial papers, of which there are nearly three hundred on my current list. Our policy of late has been to use large spaces in the most prominent positions facing reading matter, and to have the type set in accordance with our own wishes, generally using the same style of "Sans" letters for the word "Dunlop," so that the name catches the eye of the reader who does not read the advertisement in full.

Excepting the period of a fortnight after the outbreak of the war, when the Press was almost in a state of suspended animation, and we actually had advertisements refused through want of space, the war led us to greatly increase our outlay. It was realised that the demand for motors and tyres would decrease—in fact it had already almost stopped—and that the only way to keep the factories going was to increase our advertising. Consequently we spent far more on daily papers during what are usually the slackest months of the year than ever before.

Advertising is such a powerful creator of business that, given two firms in active competition, the one which advertises skilfully and courageously will

speedily out-distance in progress the one which does not.

It might almost be said that, without advertising, the Dunlop Company would be non-existent. Without *abundant* advertising its business would have become overshadowed by the competition of the great number of manufacturers—home and foreign—who have entered the arena since this company first introduced the pneumatic tyre to the world in 1889—a year after it was first invented in Ireland by J. B. Dunlop. It is no use to make an article of superfine quality unless we advertise that fact. Nor is intermittent advertising at all useful; we advertise all the year round, only varying the frequency of our announcements according to the seasons.

The benefits of advertising are not restricted to the creation of immediate profits. Advertising makes valuable goodwill. When the Dunlop Company was refloated for £5,000,000 in 1896, the public over-subscribed this colossal capital because the name of Dunlop had been so well advertised. Thus, apart from the constant profits derived from its advertising outlay, the company secured an enormous profit, representing its expenditure many times over, in the shape of public subscriptions for its shares.

Those who regard advertising as a hazardous speculation should ponder these facts. Obviously the machinery which enables any business undertaking to appeal to the largest number of buyers in the most economical way must be the most effective that can be employed. It is the very vastness of the machine

which frightens some people. Common business acumen, the selection of the papers which reach the desired market, and the skilfulness of the appeal backed up by the solid value of the goods offered, make advertising successful.

Our advertisements in *The Daily News*, for instance, are confined to pneumatic tyres for motor cars, for motor cycles, and for cycles, because the users of all three of these vehicles figure very largely among the readers of *The Daily News*.

A huge department of the Dunlop Company's factories is devoted to solid tyres for omnibuses and commercial vehicles, and another to the manufacture of golf balls, and we place our advertisements of solid tyres and golf balls just where they will reach the eyes of the people who are buying those goods.

The problem, then, for the manufacturer is to decide where his market is, and how he can reach it with an appeal for his goods. It is a problem that expert advisers will readily solve for him.



Hedley F. Le Bas.

CHAPTER XXVII

ADVERTISING AS A NATIONAL NEED

BY H. F. LE BAS

Mr. Hedley F. Le Bas, in addition to being one of the Joint Secretaries of the Prince of Wales's National Relief Fund, is the adviser to the War Office on its newspaper advertising, and is Governing Director of the Caxton Publishing Co., Director of George Newnes, Ltd., and of C. Arthur Pearson, Ltd.

My greatest business successes date from the day when

I began to advertise, and the Caxton Publishing Company is now one of the largest publishing houses in the country because of newspaper advertising. If any man manufactures a good article, which he wants to sell to other people, he cannot hope in these days of fierce competition to create big sales unless he advertises. Conversely, if his article is worth buying, and will command the support of the public in intrinsic merit, then skilful advertising will increase his business for him.

This last point leads me to a matter to which I attach the greatest importance, and that is, the necessity of stating in an advertisement nothing but the truth. It is far worse to overstate the case in an advertisement than to understate it. There have been many cases where advertising campaigns have failed very largely through the too strong claims made in the advertisements. It is necessary, moreover, that this policy should be carried beyond advertisements, and should be adopted throughout the entire business. It should be a rule of the business, as strong as the laws of the Medes and Persians, invariably to give satisfaction to one's customers, even though it may be at an immediate loss of money.

Another point that may be worth urging is the necessity of having sufficient courage to give advertising a fair trial. In the businesses with which I am connected it is particularly easy to test results, and there are many instances in our records where, although the first advertisement has failed through causes quite apart from the actual advertisement

itself, the second advertisement has been correspondingly successful.

Courage is also required in another respect, and that is in the taking of a sufficiently large space. (My own experience in advertising has taught me many times that large spaces pay best.) The Caxton Publishing Company was the first publishing firm to take whole pages in daily papers, and its enterprise in that respect has been rewarded many times over. One of the canons of modern advertising is that the larger the space the greater the chance of success. One of the reasons for this is that a large space cannot be lost sight of as can so easily a small one. Another reason is that in a proposition like that of the Caxton one can effect a much wider and more comprehensive appeal in a large space, than would be possible in a small one.

It is in no way stretching the truth to say that these three points are among the most important points of the policy that has made the Caxton Publishing Company what it is.

Any business firm can achieve precisely similar results, given always a meritorious article and the ability to use the power of publicity to the full. By this I mean judgment to select the right media for appealing to the public, organisation to ensure the supply of the goods to the public, and skill in wording the appeal to the buyer so that he or she will wish to purchase.)

If a manufacturer were to ask my advice as to the way to maintain the sales of an article which people

want, and can afford to buy, I would unhesitatingly tell him that the remedy for his troubles was advertising.

If he admitted (as he would be forced to admit) that such advertising would create a demand for his article, and if he possessed any reserve of capital at all, only one thing would prevent him from making the plunge, and that would be the lack of enterprise and courage. "My competitor who is advertising," he might say, "is backed by unlimited funds. My funds are strictly limited," to which I would answer, "Then limit your advertising."

The theory of successful warfare is an overwhelming attack at a given point. You must be stronger than the enemy at that point to ensure victory. Equal strength all along the line is likely to end in stalemate, and in case of business competition two advertising campaigns of equal strength, conducted in the same media and carried on respectively by an old advertiser and a new one, will make it harder for the latter to establish himself.

He need not try his strength all along the line by trying to use all the available media. He can take a single newspaper like *The Daily News*, and through its columns can appeal to hundreds of thousands of homes. It will cost him comparatively little, and for a most reasonable expenditure he can deliver a mighty attack upon one section of the public which, proportionately, will be just as effective as a larger campaign spread over more papers. I believe that the results will astonish him, and when he has secured

his vastly increased sales he can extend his operations to another paper, and so on.

There is one other point to which I attach considerable importance, and that is, the help an advertiser can always get from the expert assistance of the newspaper managers. As an advertiser, I have had the same advantages in my own business, and they are at the disposal of any trader who wishes seriously to investigate the advantages of advertising and the methods by which he can appeal to the great buying public with advantage.



CHAPTER XXVIII

GOOD SALESMANSHIP

BY H. E. MORGAN

Mr. H. E. Morgan is connected with Messrs. W. H. Smith and Son. In addition to a great printing business, he conducts an advertising agency, the vast railway advertising business of the firm and the advertisements on the L.C.C. trams.

MOST business men trading on any large scale have given thought from time to time to the question What constitutes good salesmanship ? There are many constituents that go to produce it ; but is it possible to name one factor upon which all else rest ?

The answer which I would venture to the question is that the whole science of salesmanship rests upon the ability of the salesman to arrive at correct judgments of the needs of each individual client. First of all, of course, his success will depend upon the merit of the article which he is out to sell, but after that, it is his ability to present it to the customer which counts. Therefore, I give the personal factor the place of honour.

Of all the qualities that make for salesmanship, it is the most difficult to weigh up correctly. The characterless man, who makes no impression either way upon a customer, one puts aside as a matter of course ; for the salesman must be a man of personality, set upon the immediate task of selling his goods, and with clear ideas of how to go about it. But on the other hand, he may be a man who sets up in those with whom he comes in contact that strange, involuntary dislike which sometimes springs up towards individuals at sight. Or he may favourably impress one type of man, and unfavourably impress another type. The salesman who can be relied upon with confidence to make the best of the business entrusted to him will be the man who, while himself of strong and forceful individuality, can rapidly adjust himself to the stand-

point of the particular customer he is dealing with at the moment.

He must, therefore, have a personal acquaintance with the customer, knowing not merely his individual characteristics, but his special needs, just how far the article he has to sell meets those needs, and the arguments which are most likely to prove convincing to him. There is the whole science of salesmanship in a sentence.

I have written so far from the standpoint of the wholesale trader, but what I have said applies very largely to the retailer. His business depends peculiarly upon his success in creating among people a habit of coming to his shop, and in doing that he, too, must cultivate a personal knowledge of his customers and their individual requirements, and an ability to present effectively articles which he believes to be worth their while to buy.

It can never be sufficiently impressed upon the salesman, whether wholesale or retail, that it is the masses of the people, the prosperous money-earning classes, who are the essential public necessary to the advertiser and the salesman. They are the people on whom his eye must be kept constantly fixed, for they represent the large turnover, the rapid sales, the quick return of profit, which are the life of modern business.

Thus, the salesman and the advertiser, with daily necessities to sell, have at their disposal a peculiar opportunity resulting directly from it.

In speaking of salesmanship, it should not be

overlooked that the success of the salesman depends largely—apart from the qualities necessary in himself—on the way it is reinforced and backed up by newspaper advertising. That, I need hardly say, is an essential part of the machinery of salesmanship. No matter how well equipped personally a salesman may be, his efforts are of little use unless he has behind him the tremendous, invisible driving force of the newspaper advertisement. Think what a lightning traveller an advertisement in a paper like *The Daily News* is! Printed overnight, by next morning it has penetrated, by the aid of the railways and the bookstalls, into every city, town, and village of any commercial importance in the kingdom, every copy of the advertisement a fruitful seed of future trade. The newspaper advertisement is the great advance agent of commerce. It prepares the way for the salesman as nothing else can.

But the right use of newspaper advertising is quite as important a matter as the right selection of a salesman. In fact, it should be governed by identical principles, for the trader who advertises makes the newspaper his salesman, and it should therefore possess exactly the same qualities as a salesman. It should be the right medium for his particular goods. Every newspaper carries advertisements that it ought not to have and lacks advertisements that it ought to have; or, put in another way, every article has at its disposal a particular newspaper public which it is failing to take advantage of.

If I might offer a personal opinion, I would say that

the British salesman is lacking in training and skill in the scientific methods that I have alluded to. His fault is that he is apt to push his goods for the sake of the good it is going to do him, instead of for the sake of the good it is going to do his customer. The American salesman does not make that mistake. The Britisher needs most of all to concentrate on the uses of his article to the man to whom he sells it. To sell a thing to a man who doesn't really want it is not smart ; it is only making an enemy of him.



W. J. Ennever.

CHAPTER XXIX

THE POST OFFICE AND THE PRESS

BY W. J. ENNEVER

Founder and Director of the Pelman Institute

A REMARKABLE change has come over the character of the average people of this country in recent times. We have now a public which is well disposed towards the consideration of serious things. Our young people willingly pay attention to matters which their fathers, in their young days, would have voted dry-as-dust.

I ascribe the change chiefly to the influence of the daily newspaper. Everybody nowadays is a newspaper-reader, and the newspaper has become a great educative factor. People have got into the habit of looking to it for all vital information on subjects that concern them and for the formation of their opinions on every variety of topic. Papers like *The Daily News*, with their literary features and special articles, have largely taken the place, among the intelligent and educated classes, of the old-fashioned weeklies and monthlies of twenty years ago. And the implied compliment is justified, for it is possible to get from the modern newspaper a better education in the things that really matter than it ever was from the journals that filled the *role* of educators of public opinion years ago.

That is the reason why we, of the Pelman Institute, rely upon the daily newspaper for placing our claims before the public. It is the source to which intelligent and thoughtful people apply for information about what is happening everywhere, and for guidance in the affairs of their own daily lives. There could be no better instrument of appeal to the sort of public we wish to influence.

The whole of our business of training the mind and the memory is conducted through the post. We started twenty-five years ago one of the earliest institutions of the kind to adopt the correspondence method, which is much more extensively practised in America. It is the only method by which three-fifths of the population can be reached. It makes

it possible for students living in the remotest corners of the country to develop their education. Everything that it is possible to convey by correspondence is now being taught in that way—and a good many impossible things, too! Where instruction is capable of being imparted by this method, it gives better results than oral instruction, one reason being that the pupil is thrown more on his own resources.

Through all our branches, about 10,000 pupils pass every year. That means an enormous quantity of communications by post. Here, at the London headquarters, I estimate that our daily post, in and out, contains some 2,000 letters.

¶ For the establishment of this vast, far-reaching business, the newspaper Press has been our indispensable ally. The Advertiser, the Press, and the Post Office—they are an irresistible trio. The imagination boggles at the thought of the tremendous possibilities of that combination. In the last ten to fifteen years we have seen enormous strides in the use of advertising, but I believe it is nothing to what we are going to see in the next ten years in the development of the advertising and postal combination. Its value is only just beginning to be recognised. The newspaper is your commercial traveller, and in association with the post it is the only means of publicity which travels the world over.

We get illustrations of that every day. Sometimes the advertisement reaches the most unlikely people, but that is only another instance of the unexpected extent of the newspaper's penetrating power. I will

give an extreme instance in the form of a quotation or two from letters that have reached us recently from natives of the West Coast of Africa, many of whom evidently suppose that the Pelman system is some kind of patent medicine. One of our black brethren from a Government boys' school out there writes :

SIR,—It is my desire to write and ask you upon some matters quite material, and as I think that belongs to your business you would answer me. They run thus : I want to ask you if you get any help for one to study, if so give me all description about to enable me to order some from you. I should like to see if you get any brain Pills a Talisman a ring or any other method it will help one to study more in all subjects.

Another black correspondent requests us to send him some "memory studying cream." A third writes from Axim :

Please I wont you to teacher me at any time. So that you must produce me one Examination Book, Pills or Telismom. And these medicines is Important at Axim. So that, if you got some, you must try and sent me sample. And I will sell it for you, and every month you try and give me 2/- commission. I wont to be your agent as Chemist powder is important.

I have a bunch of similar letters from this part of the world—no use as business propositions, of course, but very valuable testimony to the amazing power of the newspaper advertisement. You may be sure that advertising which reaches such obscure corners of the world falls at least as frequently upon profitable as upon unprofitable soil.



Edgar Osborne

CHAPTER XXX

THE IMPORTANCE OF THE BRANDED ARTICLE

BY E. OSBORNE

*Of the Osborne-Peacock Co., Ltd., London, Manchester
and Glasgow.*

OF all the factors in industry and commerce, the most important, the most vital, and the only *absolutely indispensable* to the *Prime Producer* is the *Ultimate Consumer.*

Every intervening element between these two parties is a secondary and not a primary factor in modern commerce. Such intervening factors may be useful, and, owing to the complexity of our social organisation, may even be almost indispensable, but the essential fact remains that the existence of the Prime Producer depends absolutely and entirely upon the continued patronage of the Ultimate Consumer. They cannot exist without each other.

Until a few decades ago this simple fact was almost completely ignored, almost completely unrealised. The Prime Producer thought that the most important of all factors was the one which was, so to speak, "next to him," i.e. the buyer or distributor *in bulk*.

A few far-seeing minds, however, realised, either by calculation or intuition, that it was possible, as it were, to stretch a hand through all the intervening factors and grip the Ultimate Comsumer by giving him a personal interest in the product he purchased, and by giving him a means of *recognising* and *designating* them.

That was the birth of "Branding" in its modern sense.

Sale in bulk is only the *first* of a series of operations, the last and most important of which is the purchases of the Ultimate Consumer. But, in the course of time, by repeated purchases, the individual Ultimate Consumer, even of cheap domestic requirements, was quite an important factor if the total demand for a period of years were borne in mind.

To illustrate, although it might not be worth great effort to sell Mrs. Jones a pound of soap for a single

"washing day," yet, if Mrs. Jones had one washing day every week, and there are fifty-two weeks in a year, it logically follows that if the same Prime Producer could influence Mrs. Jones to use always *the same* washing soap, her apparently insignificant and despised requirements spread over a period of five years amount to no less than 260 lbs.

Still more striking is the importance of the Ultimate Consumer when it is a question of foodstuffs, and hence the phenomenal success of various breakfast foods, notably one or two well-known brands of "Oats." Tobacco, too, forms a most striking illustration, for individual smokers have almost invariably their one favourite brand, and the total consumption of the individual smoker over a given period assumes surprising economic importance when duly considered. That is why *one* brand of cigarettes sold at ten for threepence can spend more money on advertising than all of the high-grade of tobaccos combined. More fortunes have been made out of articles retailed at a *penny* than from any other class of trade, but it has only been achieved by branding.

The introduction of branding as a controlling element in the operations of trade had, therefore, more far-reaching consequences than its pioneers ever expected. Its primary aim and object, however, were to secure *continuity of purchase*, and that is another point I write this article to emphasise.

The whole subject can be better appreciated by the consideration of any individual purchase made by an Ultimate Consumer.

In the case of an unbranded article the effects of the transaction *end* with the sale.

In the case of a branded article the effects of the transaction *begin* with the sale.

In the case of an unbranded article the *Ultimate Seller* dominates the transaction.

In the case of a branded article the Prime Producer dominates the transaction.

In the case of an unbranded article each separate purchase may have a different origin.

In the case of a branded article each separate purchase must have the same origin.

In the case of an unbranded article, no matter how excellent, the Prime Producer gains no valid reward in the mind of the Ultimate Consumer.

In the case of a branded article, if even only passably satisfactory, the Prime Producer gains *the greatest of all commercial assets* in the mind of the Ultimate Consumer.

He gains an asset which is sometimes sold in the open market at ten times the value of the whole plant employed in a business.

He gains "*Goodwill*."

The Branding of a satisfactory article establishes an "*Entente Cordiale*" between Prime Producer and Ultimate Consumer. Their interests are identical—not antagonistic.

The Branding of an unsatisfactory article is its surest damnation.

For the process cuts both ways.

The old Romans had a saying, "Caveat Emptor!"
(Beware of the seller!)

I once heard an American philosopher say that the modern reading should be "Beware of *the Buyer.*"

I never heard a truer remark.

Just as the branding of a satisfactory article teaches the public how to *demand* that specific article, so the branding of an unsatisfactory article teaches the public how to *avoid* it if, after due trial, it has been found wanting.

Branding, therefore, is only advisable when the Prime Producer is not ashamed of his produce. Indeed, Branding really means that the Prime Producer is so proud of his product that he insists upon associating himself with it so that he may secure the glory of his own achievement.

Hence the public grows daily more chary of buying unbranded goods, which, as it were, come to them with no recommendation, and about which they know nothing.

When we were younger and saw a cart it did not interest us. Now, when we see a motor, we give it a name. That name represents the degree of prestige and reliability won by that car. *By* that name—or *at* that name—we swear. No car can maintain a hard-won reputation if it does not always live up to it. A name has made many a car—a name has damned many another. One sound and reliable car which comes up to or exceeds the expectations of its buyer may often lead to the sale of a dozen—even of a thousand others. I have actually known cases of a

car of a certain make being imported into a certain distant market, proving to be well adapted to the conditions there, and, in consequence, a firm well able to sell cars in that territory telegraphing for agency, and, as a result of negotiations, big business ensuing. The name of the car contained within itself the clue to the location of the factory which produced it. There were no dozens of subterraneous passages to be explored in a vain effort to trace it to its origin. *Branding* had obviated all of that. So, too, with cycles. Few sane people would trust their neck at full speed down a steep hill on a cycle of whose origin they knew nothing. Yet how many of us have almost unquestionably submitted our cycles to the greatest strains, strong in the perfect assurance which we gained from a knowledge of the fact that "It is a good make, anyhow."

Branding is a tremendous step in advance. To that question I have devoted this article. For my own part I should more gladly and, perhaps, more competently, have dealt with the tremendous social significance of the handmaiden of branding—advertising, but I will content myself here by saying that Advertising is to Branding much the same as a dynamo is to a motor. To designate a thing by a brand is good; to educate the public to ask for that brand is the function of advertising. When the two factors have operated the third and most vital factor of all comes into play—*i.e.* the quality of the product itself. If that comes up to the standard of expectation, and if the first purchase does not lead to the disgust and disillusionment of the purchaser, then, indeed, the

Prime Producer is well on the way towards the inception of that continuity of trade which is the desideratum of modern trade.

To summarise in a single sentence the effects of Branding upon trade and society I would say that whereas through the ages the idea has prevailed that business is *a battle of wits*, it is now, thanks to branding and advertising, fast becoming *a battle of values.*

The fact is worthy of note, and contains a fitting moral to my article, that the firms which were *first* to adopt branding and advertising in almost any line of industry usually succeeded in securing a lead of their competitors, leaving them with a tremendous stretch of leeway to make up, which, instead of decreasing, is usually actually increased with every succeeding year.

A handwritten signature in black ink, appearing to read "Burris Gahan". The signature is fluid and cursive, with a long, sweeping flourish at the end.

CHAPTER XXXI

LIFE'S GREAT MOMENTS

By BURRISS GAHAN

Literary Adviser to Kodak, Ltd.

IT is perhaps natural that no one should be more ready to talk about opportunities than a man associated with cameras—because the camera exists for the purpose of seizing opportunities. An opportunity without a camera is an opportunity lost. The Kodak

should certainly have a lesson in opportunities to teach the business man.

Kodak, Ltd., has always held consistently to an optimistic principle in business. We fostered the association of the Kodak with happiness, acting on a theory which may be stated in a line or two :

We each have a certain amount of happiness in our lives. Different people find it in many different directions : with some it is their children that provide the happiness, with others their work, their pets, their sports and their pastimes, their hobbies, their gardens, their travels, or their holidays. One or some of these things furnish a man with a succession of very happy moments in his life. And in a general way what does he do with these happy moments ? He does nothing. They come, and are enjoyed—and they pass for ever.

We have accordingly set out to show how a Kodak enables a man to seize these happy moments of life, and hold and keep them for ever. What man is there who would not wish to have a picture record of his schooldays, his first trip abroad, his best holiday of all —his honeymoon ? The happiest moments of a life's holidays can be enjoyed all over again if a man preserves them in his snapshot album. Time, among the many ill turns it does us, obliterates a host of happy memories ; but the Kodak can keep them vividly alive.

We propagated this idea by running, in 1913, a "Happy Moments" competition, giving £1,000 for the best Kodak picture of the happiest moment of the summer holidays of that year ; and we invented the "Kodak girl," so familiar to students of advertise-

ments and the hoardings, to typify the association of happiness and the Kodak.

You will see how the coming of the war struck at this optimistic principle which we made the centre of our business.

Those responsible for the Kodak policy had therefore to legislate, not for "Business as usual," but for business very unusual, and to meet as best they could entirely new conditions. They have done it successfully, and perhaps their success may afford a useful hint or two to traders generally on the all-important subject—at this moment—of adaptability to changed circumstances.

The Kodak trade has two sides—the amateur and the professional. The amateur consists mainly of meeting the demands of sportsmen, travellers, and holiday-makers who want to make their own picture-record of their good times—the "happy moments" side. You can imagine how that side was affected by the outbreak of war on the very eve of the midsummer holiday season. But Kodak, Ltd., anticipated an increased business owing to the war on the professional side : that is, the side which caters for the professional photographer. That anticipation was right, but no one could have foreseen to what an extent the side would be developed by the war.

Yet, if you think a moment, you will understand the huge expansion experienced.

Nearly every man who enlists wants to get his photograph taken in khaki, and often he wants it taken in a family group. He wants a permanent

record of a great moment in his life. The result is that we have been kept busy for months supplying the professional photographer with portrait films, plates, paper, chemicals, backgrounds, studio accessories, and other requirements.

Now, with regard to the amateur side of our business, you have seen how the "happiness" part of it was affected by the war. But we soon found a new amateur demand arising from the war, which afforded another illustration of how a business that is based upon a natural demand of human nature can profitably adapt itself to changing circumstances.

The demand for the small cameras that we call "Vest Pocket Kodaks"—the Soldier's Kodak, as it is generally known to-day—became enormous among the men of the new army. The great difficulty was to keep pace with the urgent demands of soldiers and sailors, not only here, but in France and Russia, and also in Egypt and India.

This was largely a spontaneous demand. But a considerable proportion of the sales must be attributed to the attractive way it was advertised. We realised that although the time was out of joint for happy moments, it was pregnant with great moments for many thousands of our countrymen. Thus the Kodak had found a different, but a much more important opportunity; and we changed our appeal accordingly. We said to the soldier: "Tell your own story of the great war with your own Vest Pocket Kodak."

That brings me to the moral which I suggest the experience of Kodak has for business men generally.

The war tested the adaptability and the courage of business men severely. Had we attempted to run our business on normal lines in the abnormal circumstances we should not only have closed down our advertising, but we should have done so wisely. But once we had adapted our point of view and our direction to the new circumstances, we found the need of advertising, and the remunerativeness of it, as great as ever.



R. T. Lang

CHAPTER XXXII

THE DEVELOPMENT OF FOREIGN TRADE

BY R. T. LANG, J.P.

Of Sells, Ltd., the well-known Advertising Agents.

A WEEK or two ago I was speaking to the captain of a ship which has been patrolling the North Sea since the war began. "I hope," he said, "that the business men will take advantage of the chance we have given them. We've shut down German trade; it's for the business men to go in now and win. If they

don't, what has been the good of all our work ? " It was a blunt sailor's view, but can you deny that there lay underneath it a sound foundation of truth ?

(It is in articles of universal necessity that we must secure our positions while we have the opportunity, for defence is always easier than attack, and amongst the articles of universal necessity nowadays may well be included that with the advertising of which I have been somewhat closely associated—the bicycle, the handiest, cheapest, and most popular method of rapid locomotion. There was a time, not long ago, when the bicycle was looked upon as a mere instrument of pleasure. It provided a recreation, pleasant and inexpensive. To-day the bicycle is, above all, an article of utility. The vast industry which has been built up in this country has been based upon that fact. It is within the memory of most of us when you could not buy a decent bicycle below twelve guineas. To-day you will get as good a machine for half that sum. The cycle trade has become a popular trade, a trade which supplies an article required by the multitude.

In this Germany was, up to the outbreak of the war, our chief, indeed almost our only competitor. It is true that the United States is still a large manufacturer of bicycles, but the sale of these is confined to the North American and Australian continents. And even into these British competition is pushing its way. But in the other markets of the world the South German cycle factories were strenuous rivals.

They were more. They were successful to a very unpleasant extent.

The German manufacturers followed their usual methods. They supplied shoddy products, showy, built to sell, at abnormally low prices, accompanied by long credits. The Eastern bazaars were filled with German bicycles sold at the equivalent of £3 English. I saw one of these recently which had been sent home as a sample. I do not know of any British house which would be capable of producing such a parody on the name of bicycle. All the fittings were rough, parts were already rusty, and the wheels shook like leaves under an autumn storm. But these things sold well because of low price and long credit. Any attempt to compete with them would be impossible and undesirable. But competition with them can be satisfactorily instituted in the same way as the cheap German bicycle has been driven off the British market. And that way is the only way to success, steady, consistent, newspaper propaganda ; driving home to the common people the lesson that the best is cheapest in the end.

One of our most general mistakes in this country is that the foreign native is illiterate, uneducated, and little more than a savage. Consequently, one finds British manufacturers advertising in newspapers printed in English, which the native never sees, or if he does, is not interested in. Far be it from me to say that advertising in foreign or colonial newspapers printed in English is useless. For certain articles, designed to reach the wealthy classes or the English

residents, the English newspaper is ideal. But if you wish to reach the population you must use the newspapers read by the people themselves.

I said that the same methods employed in this country will be effective abroad. In the United Kingdom you will find articles of household use most widely advertised in *The Daily News* and its contemporaries which appeal to vast masses of the public. One announcement reaches anything from half a million readers upwards. Foreign native papers do not have half a million circulations, but they are widely read and passed from hand to hand, and steady, strenuous advertising in their pages, on the right lines, pays. The British manufacturer needs to drive home the lesson that British quality is worth, really worth paying for.

Germany has been our chief competitor in almost all classes of goods appealing to the popular taste, particularly in the East and in South America. These markets are now closed to her, and are likely to remain closed for a long while. If we are to grasp the opportunity we must begin now. The advertiser must instil confidence into the minds of the native buyers. That is a long, slow, laborious process. I have more than once advised advertisers to regard their early foreign advertising as an investment, much as they would an expenditure on new plant. The return is slow. It is useless to expect big orders for your soap, or your cycle, or your readymade clothes (there is quite a big market for these), or any other article of common use, by return mail. Probably

your first year's business will be disappointing. You will get a few inquiries here and there for agencies. But gradually people will begin to ask questions, and the foreign trader will see a possible market. There are other ways of following up the business which I need not detail here, but the first necessity is steady, continuous advertising in the right quarters.



Samson Clark.

CHAPTER XXXIII

THE OUTLOOK IN THE DRAPERY TRADE

BY SAMSON CLARK

Head of the firm of Messrs. Samson Clark and Co., Ltd., Advertising Agents for many of the best-known drapery houses

WHEN war broke out, it appeared to many of us inevitable that the drapery trade would suffer more than most trades, as much of its business comes under the head of luxuries. But, very fortunately for the

trade, our friends the enemy chose the most convenient time in the whole of the year for their attack! The summer season had just ended, the harvests of a good half-year—even to the last days of the July sales—had been gathered in, and the six or eight weeks' dull time, which everyone expects until September is nearly through, gave us time to look round and arrange plans for the autumn.

Speaking of the large London houses—that is to say, those that advertise—it can be safely said that their position as a whole, after six months of war, was a great deal better than any man in the trade would have dared to hope at the beginning. Here I would like to say definitely that, in my judgment, the position was considerably strengthened by the bold policy adopted by Messrs. Debenham and Freebody immediately war was declared. Their frequently repeated “Plea for Steady Trade,” which was put forward boldly as an advertisement, although not a line of goods was offered for sale, had the immediate effect of stiffening the trade and preventing anything in the nature of a rot. In this effort they were laudably supported by other large houses—so much so, indeed, that of all branches of advertising the drapery trade has maintained its position best. It is a really noteworthy illustration of the value of example and advertisement. Those who adhered steadily to their ordinary policy, and continued their advertising practically as if no war existed, without question came through the first six months far more advantageously than those who shrivelled up—

regarding advertising as the one expense that could be most readily cut—and reduced their appeal to the public all round.

But here, I would like to say, lest my words should imply that all a man has to do in order to get more business is to advertise, that success cannot be commanded—it must also be deserved, and the attention given to the advertising side of the drapery (or any other) business must be as careful and consistent as that devoted to the buying or counting house departments.

The tendency during the last few years has been towards increased use of the daily Press for drapery advertising. The prime reason of this is, of course, that the circulations of the daily papers are infinitely greater than the weekly papers could ever attain, so that the market secured is a very much wider one. Another reason is that the daily provides a quicker return than is possible from the weekly or monthly Press. I do not wish to depreciate in any way the value of the well-established weekly journals. They have their special usefulness, and are of such distinct value that I should call it mistaken policy for an advertiser to drop out of them, even in the present circumstances ; but, inasmuch as, to-day particularly, the trade is buying in a hand-to-mouth manner rather than laying in normal season's stocks, the newspaper provides a quick and ready method of ensuring turnover. I frequently come across cases in which special lines of goods bought on Wednesday are advertised on Monday and cleared out by the following

Wednesday; a rapidity of turnover in which it is impossible for the weekly to assist.

Our American cousins are rather ahead of us in this respect. Their great stores use the daily papers of their important cities in some cases every day—certainly once a week, taking on the average much larger spaces than are used by similar houses on this side. Most of the daily papers to-day help the drapery trade by continual references—frequently illustrated—to the fashions of the moment, and thus have, undoubtedly, stimulated interest among our women folk, who, as we are told, and generally find from experience, have the spending of far the greater part of our incomes.

To deal at all adequately with the question of how to advertise successfully would extend these notes far beyond the editorial limits. But, by way of a pointer to drapery houses who are not availing themselves of the opportunities at hand, I would direct their attention to the advertising put out by those houses which are known to be successful. They will find that scrupulous care is taken to advertise attractive lines with strict honesty of description, so much so that the shopping public can send to any well-known firm for an advertised article and know that they are getting real value for their money.

Another important factor is—I must almost apologise for mentioning it—that the draper must take care to see that his salespeople are fully acquainted with his advertised lines, so that when inquiries are made for them it is not necessary for the assistant to look

blankly at the customer and run hurriedly away to find out what is referred to.) I have come across these conditions myself, I am sorry to say, not once or twice, but many times.

Press advertising should be assisted by catalogues, or circulars in the case of smaller houses, at fairly frequent intervals. No letter, invoice, or parcel should be allowed to leave the draper's premises without carrying a reminder of other lines that may interest the customer.) I know this to be a very effective and comparatively economical method of getting more trade, and it must always be borne in mind that efforts to keep customers when once attracted to the shop must be quite as direct and consistent as efforts to attract them in the first instance. In many cases this fact is not sufficiently appreciated. The assistants should be encouraged in various ways to do their utmost, and in this direction force of example is a very important factor.

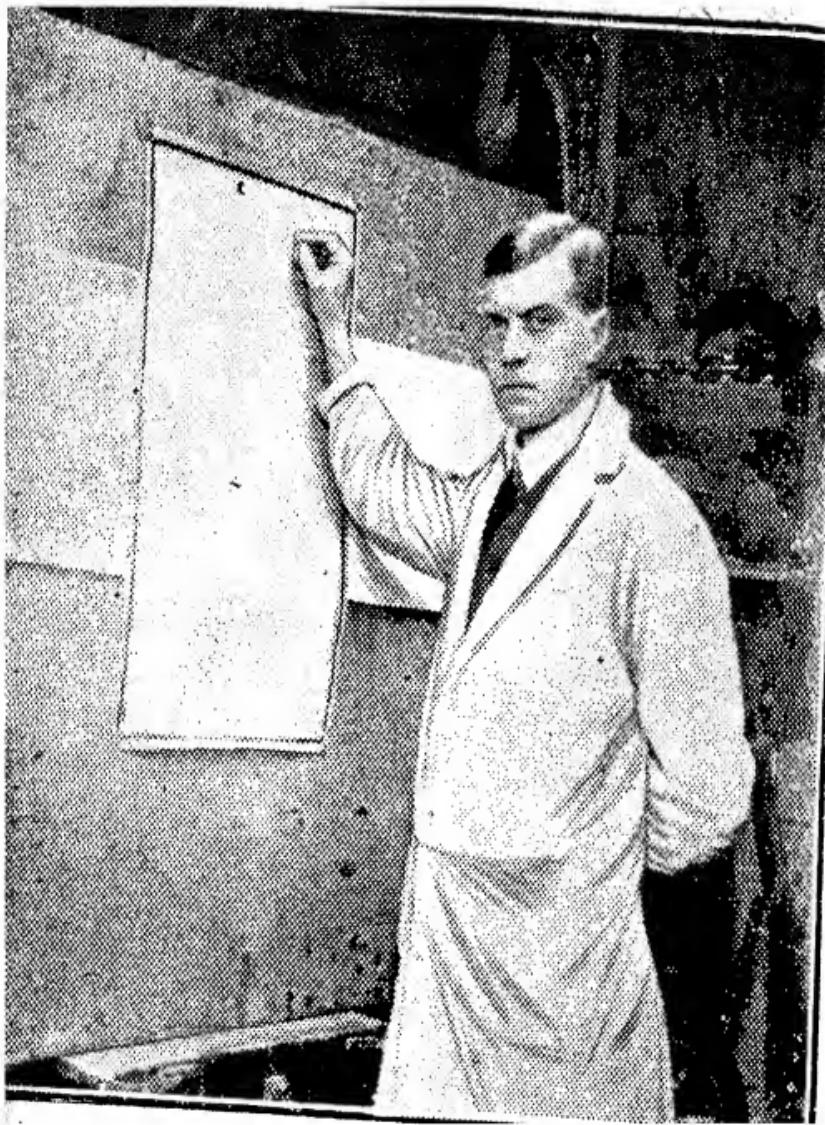


Photo : Clarke and Hyde

CHAPTER XXXIV

HUMOUR IN BUSINESS

BY JOHN HASSALL

I AM a great believer in humour in business, because it provides me with my daily bread and butter. But humour is also a great help to business men at the

right time and in the right place. A smiling face is always better than a gloomy one, and if you can make your commercial friends more cheerful you will do better business with them.

The value of a humorous drawing is the same as the value of a good story ; it gets talked about and it is remembered. For instance, " Skegness is so bracing " seems to have made hundreds of thousands of people laugh, and, judging by the way the drawing was exhibited here, there, and everywhere, the public will think of Skegness as a bracing place for many years to come. If the Great Northern Railway had merely said, " Skegness is bracing " there wouldn't have been anything out of the way in the remark, and people wouldn't have been particularly impressed. The value of the phrase was made by the humour in the drawing.

In newspaper advertisements a humorous drawing scores because it is different from most of the others. All of a sudden the reader's eye falls on a drawing which he (or she) would expect to find in the literary columns. That is what the advertiser wants. Then, if the drawing " tells a story," it has done its work.

As an example, I might mention the Veritas Gas Mantle advertisement, which showed a lamplighter smashing the glass of a street lamp to smithereens with his ladder. The Veritas Mantle, however, is unaffected by the blow. This drawing showed at a glance that the chief virtue of the Veritas Mantle is its strength, and I think the drawing told the story much more

forcibly and effectively than a letterpress advertisement could have done.

One of my most popular advertisement designs was the Vacuum Cleaner Poster, showing the nozzle of the Cleaner appearing like a pre-historic monster at the window whilst the astonished domestic is flying from it, shouting "Help!" The design caught on at once, and was followed by another showing the same girl cuddling the instrument and the words, "Friends now." The drawings were quite simple, but they captured the imagination at a glance, and proved valuable business bringers.

The majority of the advertisements which are remembered will be found to be humorous. This shows how valuable they are in attracting the reader's attention. For that reason, you will find that most of the advertisers spending the greatest amounts annually, use humour very largely in their appeals to the public.

It is only natural that humour should be profitable in business. To give an example, suppose that you are a business man and in the course of a day a dozen men call for orders which you can give to a few of them. Suppose you know them all, and know that they will call. Who is the one you will be most glad to see, especially if the day brings a typical selection of specimens of the awful weather we have been having this winter? Will it be the men who greet you with never a smile, or will it be those who are cheerful and make you feel bright and cheerful too? I rather

fancy that you will save something for the cheerful ones, even if they come last.

Now, as a business man, isn't it logical that the same principle must apply to your salesmen, your Press advertisements, or your posters ? If these are colourless, can you expect them to create such a good impression as if they are human and cause a smile ? Why shouldn't you make people think it a pleasure to answer your advertisement ? Can one thing be true in your dealing with people face to face and untrue when you are dealing with them by hundreds of thousands ?



Fredk. E. Potter

CHAPTER XXXV

SAVING THE MONEY OF THE PUBLIC

BY FREDK. E. POTTER

Governing Director of Fredk. E. Potter, Ltd.

It is a singular retrospect to look back upon the early weeks of the war.

Business men were bound to reconsider the entire position.

The unfortunate thing was that a great many advertisers lost their pluck for a long time. Even

when the panic had passed they still stayed out of the Press. And I have the infallible evidence of my own experience to support me in saying that those advertisers who, as soon as they had gauged the situation, restarted their publicity, reaped the due reward of their enterprise.

I could quote the case of one firm of international repute. They found at the outbreak of war that, although previously they were doing a record trade, their business had practically ceased. They had the further discouragement of knowing the article they sold was a luxury and not a necessity. Yet after a brief pause they made a suitable adaptation of their article to the special needs of the moment and restarted advertising. The result was that by December they were recovering an enormous turnover.

The feature of the times we are living in which seems to me to be most interesting from a business man's point of view is the wealth of opportunity it presents to the man of ingenuity and imagination.

For example, an outstanding feature of present-day conditions is the anxious demand of the general spending public for economical articles. They are keener than we, in our generation, have ever known them to be, on buying those things which return the greatest value for the money laid out. It is a laudable anxiety, and one which the advertiser in particular ought to welcome. For if there be one thing that he is better able to prove than another, it is that the advertised article is the most economical on the market.

If, then, I may advise the trader, from an extensive experience of publicity, I would tell him to insist in his advertisements upon the saving of the money of the public which is involved in the buying of advertised goods as compared with non-advertised goods.

It should be easy to convince the newspaper reader of this. The argument is so simple. It will be clear to any intelligent consumer that the trader who sells the greatest quantity of his articles cheapens the cost of their production. The larger his producing plant, the more the individual cost of each article it produces dwindles ; and it is solely by large advertising that he obtains the necessary magnitude of demand that enables him to instal and keep going the larger plant. Where a branded article of large sale is sold at usual prices the manufacturer is able to give better quality, which means better value.

A second consideration is that the extensively advertised article must be a good one to be successful. Extensive advertising is the best guarantee of quality, for without quality it can never pay to advertise. The public hardly realises the great force of this consideration. It is up to the trader in these opportune times to show how the advertiser, by the very fact of coming boldly into the light of public criticism, makes it so extremely dangerous to himself to sell a poor article that he positively dare not do it. He would be ruined. There are exceptions to this, where advertisements gain the hospitality of some newspaper columns for faked articles and swindling concerns. But where it

is sought to build up a permanent business the branded goods must have merit and be value for money.

And there is yet another fact, less frequently pressed home, which ought to be of service to the trader just now in convincing the public of the greater economy of buying advertised goods. It is this : The advertised article establishes the most reliable standard of price by which all goods of the same class may be measured. It stands to reason that the owner of a competitive article which he largely advertises has brought down the selling price to the lowest level compatible with quality. Thus he has established a reliable standard by which the public may judge whether other similar articles on the market are offered at a fair price. If they are under the price of the advertised variety, he may be fairly sure they are not worth buying ; if they are above it, he may be equally confident that they are offered at an excessive figure.

CHAPTER XXXVI

THE PSYCHOLOGICAL MOMENT

BY STUART DE LA RUE

Mr. de la Rue is a director of the famous firm of Messrs. T. de la Rue and Co., Ltd.

IN November, 1914, I made an offer to place at the disposal of *bonâ-fide* British firms the results of our experience in advertising Onoto Pens as British-made goods, manufactured by British labour and controlled by British capital. We had just concluded a vigorous advertising campaign in the daily papers, the results of which were so successful that we felt it incumbent upon ourselves to state that the immediate sales were far in excess of our estimates, and had brought in a volume of business hitherto quite unprecedented in our considerable advertising experience.

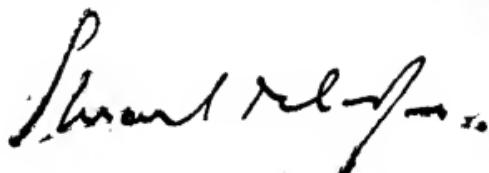
This success was the more important in view of the conditions of the times. We were in the initial stages of the war. The whole fabric of society was being readjusted to meet the strain of new conditions. In many trades employment was uncertain. Rigid economy and retrenchment was supposed to be the policy of everyone. Very reasonably one might have assumed that the public, intent on conserving its financial resources, would not buy fountain pens.

We decided that this view was wrong, that an appeal to the British public on behalf of British goods and for British workpeople would be effective. Our judgment was wrong only in under-estimating the response which we should get. We had long been accustomed to

profitable returns from our advertising expenditure, but what we discovered was that we had actually hit upon the psychological moment for furthering the sales of British manufactures by appealing to the public through the columns of the daily Press.

Since that time the conditions have not changed except for the better. The spending power of the public has not diminished despite the increased cost of living. That factor has been more than counterbalanced by the resumption of dividend payments, the steadiness of employment, and the increased earnings of a large section of the community, as regards manufactures for the Government. The favourable factor of a patriotic preference for the goods of British firms or of their Allies is as strong as ever.

If the results of advertising an article like a fountain pen were so remarkably successful during a time of crisis, what may the manufacturers of articles in everyday use expect at a time like the present? Makers of British foodstuffs, British fabrics, or household commodities of British make, and so forth, have clearly every inducement to make an appeal to the British public with similar confidence of profitable sales. I notice that motor cars are being advertised, and that player pianos are being advertised. Obviously, the manufacturers of these luxuries are reaping the same results, or they would cease their expenditure, not being in business to waste money on unprofitable selling schemes.

A handwritten signature in cursive ink, appearing to read "Sir Ernest Rutherford".

CHAPTER XXXVII

TURNING OPPORTUNITIES TO GOOD ACCOUNT

By W. H. CARR

*Managing Director of Messrs. Mather and Crowther, Ltd.,
Advertising Agents.*

THERE has already been a tremendous amount of talk about the business opportunities that will arise for British traders as a result of the war. Let us take them for granted.

The question is, are we prepared ? For the extent to which the trade previously in the hands of Germany can be captured and (what is more important) held, must depend almost entirely upon the ability and readiness of the British manufacturer to prepare himself and his forces for the endeavour.

No candid friend of the British manufacturer will deny that, taking him on the average, he is averse from the idea of training himself and his men for business, as such training is nowadays understood. Even in the matter of Advertising many British business men still look upon it as something of a dark adventure instead of a real living force in commerce. There is nevertheless a wholesome change in the attitude towards Advertising adopted by leading British firms,

for it is recognised that publicity in one form or another exerts a very direct influence upon the good-will of a business.

It is a little strange that such a plain business matter as the selling of more goods by means of Advertising should by some be looked upon as a magical process hard to be understood. True it is that frequently the results of Advertising, properly directed, are striking enough, but there is nothing magical about the outcome of efficient selling-methods, unless the term can be properly applied to the natural growth of a tree. Still another, and too large a class, regards Advertising wholly as an expense, whereas it is essentially an investment capable of earning most satisfactory dividends.

Advertising and salesmanship are really the same thing. An advertisement is, or should be, a salesman. That is the intention of it. And the point I wish to make here is that, just as the live business man would not think of employing a salesman who was untrained to his business, neither should he employ an advertisement to which training, skill, and experience have not contributed.

Nor need he. The facilities at the disposal of a modern advertiser are elaborate and efficient—it would astound many business men to know how elaborate and how efficient. During the last twenty years there has been a revolution in Advertising. In those leisurely days an advertiser would, about the end of October, notify his agents that he proposed to spend a certain amount on Advertising during the

following year. His agents would send him an estimate, and as the result it would be arranged that for the following twelve months one practically identical advertisement of his goods would appear in all the selected media.

What a contrast with the methods of to-day! I will give an illustration. Recently one of our representatives was in a provincial town talking over with a firm a new article. Next day we designed the show-cards—the preliminary work on which needed a good deal of research—got them passed, completed the finished water-colour paintings of them, obtained the estimates for printing, got into touch with the trade, explaining the novelty, designed the trade paper advertisements and those for the forthcoming exhibitions, and were prepared to launch the Press campaign within fourteen days.

It is not the modern Advertising Agency which can be justly reproached for any failure on the part of British methods to take advantage of business opportunities. When I entered the business, a good many years ago now, the first-class Advertising Agency as it stands to-day, with its complete and costly organisation, was but a vision of the future. We are always glad that a manufacturer should see something of the machinery of Advertising, as it can be shewn to him at New Bridge Street. Probably it has not occurred to him that (a score of writers, designers, and artists, a complete modern printing plant, a photographic studio)—are among the auxiliaries brought to bear when the advertiser sees his business opportunity.

The taking over of all these different processes by the modern Advertising Agency has been rendered necessary by the growing appreciation of the truths I have endeavoured to impress in the preceding remarks. The modern advertiser is no longer content to abandon the details of a carefully thought-out advertisement to the unsympathetic vagaries of the ordinary printer. Nowadays advertisers employ the art of typography with a serious appreciation of its possibilities. The mission of type is simply to convey the author's idea to the mind of the reader with the least possible interruption on the way ; and if you grant that, it is obvious that the typography of each individual advertisement needs to be considered and chosen with special regard to the particular idea which it is desired to convey. The same meticulous care must be devoted to the selection of the means, material, and models for giving adequate pictorial expression to the advertiser's printed salesmanship. The notion that "any old thing will do" cannot stand before the necessities of modern business.

In a word, the finest business opportunities avail nothing unless tackled promptly and earnestly with the most efficient means that skill, experience, and resource have to offer.

A handwritten signature in black ink, appearing to read "W. H. Carr". The signature is fluid and cursive, with a prominent diagonal stroke extending from the bottom right towards the end of the name.

CHAPTER XXXVIII

THE DIRECT VALUE OF AN INDIRECT APPEAL

BY F. W. GOODENOUGH

Executive Chairman of the British Commercial Gas Association

I THINK it may fairly be claimed for the British Commercial Gas Association that it was the pioneer in this country of indirect, or collective, advertising. This is a form of appeal still unfamiliar enough to need explanation, but the nature of, and the reason for, it will appear in a moment.

Years after gas had become a popular necessity for domestic and industrial purposes the advertising of it on any large scale had never been seriously contemplated. The reason was a simple one. Each gas company, however large, is strictly confined to the reach of its mains. Beyond that it cannot go. It wishes to increase the local demand for its gas, but it has no interest in creating a demand outside its own definite confines. Now, the effect of advertising by any one company in newspapers and magazines of general circulation would be that a very small proportion of the new demand for gas created by the advertisement would go to the advertiser. It would be dissipated among other gas companies in all parts of the country, at his expense.

The Gas Light and Coke Company (of London) was such a believer in the value of indirect advertising that it started an advertising campaign in favour of gas some ten years ago, with the co-operation of the manufacturers of gas appliances. Even this powerful company, however, found that the yield in business to itself, restricted as it was, like all gas companies, to a definite area, was not commensurate with the expenditure on the advertisements.

But meanwhile, the managers of provincial gas companies had made the significant discovery that the Gas Light and Coke Company's advertising had benefited them to a very important extent. One provincial manager actually sent the company a cheque in recognition of value received ! One seldom sees commercial integrity carried to such almost Quixotic extremes !

So these provincial managers began to discuss the question whether an extended advertising campaign, paid for by the industry as a whole, would not be a profitable thing—and that was how the idea of collective, or indirect, advertising took root.

The commercial sections of the Manchester and the Southern Institutions of Gas Engineers took the matter up, and as the result, a conference was held at Leeds of the commercial sections of gas engineers' institutions all over the country. From this proceeded the formation of the British Commercial Gas Association which began its active work in March, 1912, and six months afterwards, at the first annual conference at Manchester, several members from different parts of

the country bore testimony to the value of the work done even in that short space of time.

The work of the Association consists mainly in advertising in newspapers of the widest general circulation the advantages of gas for all its various purposes. Through the Association, to which 80 per cent. of the gas industry in this country now belongs, the gas companies as a whole share the expense of the advertising, and the advertising distributes its benefits impartially to all the Association's members. An advertisement in *The Daily News*, for instance, calling attention to the advantage of gas for cooking, or lighting, or heating, or power, makes its impression from John o' Groat's to Land's End, and gas companies throughout the length and breadth of the country find inquiries and orders coming to them as a result. That is how indirect, or collective, advertising becomes of direct or individual value to the advertiser. It also has value for the public, as the result of increased turnover is always reduced cost of production per unit of commodity, and that means lowered price to the gas consumer—or, in the present unhappy state of the market, a smaller advance in price.

Indeed, the success of the step taken by the British gas companies was so immediately obvious that it was promptly copied by the National Commercial Gas Association of America. Moreover, not only has our membership doubled since the Association started, but we have been joined by companies in distant parts of the globe. They find that our advertisements in the illustrated papers which have a large foreign

circulation foster new gas business all over the English-speaking world.

I would point out that the success of our indirect advertising has facilitated direct advertising. That is a point well worth the attention of other industries which have refrained from advertising on account of difficulties similar to those which deterred the gas industry before it solved them by the collective plan. All the first-class illustrations and appeals we use in our national campaign, and all the pamphlet literature we turn out, are available for local use ; and, of course, thanks to the co-operative policy, they are obtainable at wholesale rates.

In the experience of the gas industry I sincerely believe there is a lesson and a moral for other industries. It is a serious loss to be denied the use of that powerful business instrument, the newspaper advertisement, and I suggest that the indirect policy of advertising would place that instrument at the disposal of many industries which at present deny themselves its aid.

A handwritten signature in black ink, appearing to read "H. G. Wren". The signature is fluid and cursive, with a prominent initial 'H' and 'G'.



Paul E. Derrick

CHAPTER XXXIX

“DO IT BETTER”

BY PAUL E. DERRICK

“Do it better” is the motto I adopted years ago as the inspiration of the business with which I am associated. I value it for the reminder which constantly gives that methods are never so good but that they might be better. To forget that is to court failure. Remembering it is three parts of the victory.

It was the larger field for the development of advertising in this country as compared with Ameri-

which decided me ten years ago to remove to London. In the States advertising was then emerging into a matured science. Over here it was in its infancy. What struck me more forcibly than anything else in British advertising was the feeling of perfect content with existing methods. People did the same things in the same way, and desired nothing better. It was the curse of British business.

Well, the last ten years have shifted that self-complacency. If I refer frequently to American advertising it is not because I believe American advertising is wanted here—it is not. America has developed a type of advertising that is the best for her purposes, not for ours. The point rather is that she has applied advertising to a much wider range of business.

That is the really valuable example she has set us. America advertises an enormous number of articles that one never sees in the British advertisement columns. The Bell Telephone might be mentioned as an example. The telephone was never advertised in this country—which prevents me, as an advertising agent, from being at all surprised that the British telephone service is greatly inferior to that of the United States. But in the States, though the Bell Telephone is a monopoly, it is elaborately advertised. The public are told in one advertisement how many employees it has ; in another, how many million dollars' worth of wire it uses ; in another, how a single exchange is operated ; the whole purpose and effect being to impress the public with the importance and

convenience of the telephone. Result—America is the telephone country par excellence.

As a consequence of the change that has come over British advertising during the last ten years, there are to-day British advertisers who are doing as good work as can be found anywhere in the world. But it is still true that advertising is not at present applied to more than 50 per cent. of the business to which it could profitably be applied.

With some notable exceptions, British manufacturers look upon advertising purely as a vexatious expense, like a water rate, instead of regarding it in its true light as an investment and a part of the inevitable selling cost. They have, as a rule, yet to discover that advertising lessens the selling cost. The American acts on the principle that the only person whose goodwill he must have is the consumer. It all lies with him ; he is the man who has got to be convinced, for if the consumer is convinced the manufacturer's problem is solved.

Manifestly, the only way to reach him is by advertising, whereby the manufacturer gets the consumer to want his goods. That result accomplished, the work of the traveller, the middleman, and the rest of the machinery of selling is made simple and economical. Instead of business being one constant heart-breaking push on the part of the traveller, it becomes a steady pull from the consumer.

Incidentally, the consumer benefits, because the cheapening of the selling cost accomplished by advertising enables a cheapening of the selling price of

the article. Hence it is quite a fallacy to suppose that an article which has not to support the "expense" of advertising can be sold at a lower price than an advertised rival.

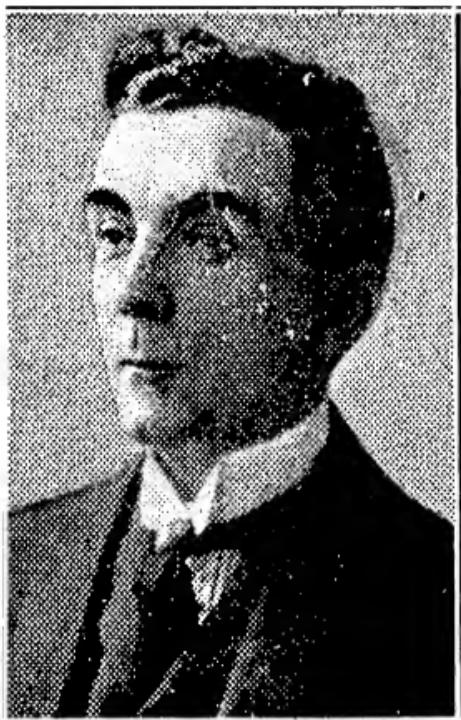
The fact that no one can afford to brand and advertise a poor article, and that the quality of an article so marketed must, at all hazard, be kept up to its established standard of quality, is alone sufficient reason for the enormous existing public and trade prejudice in favour of advertised goods. Also, the established uniform prices at which such goods are sold is much appreciated by the public. The fixed price and fixed quality of advertised goods ensure both the dealer and the public against loss and dissatisfaction.

Marketing goods upon these sound, established, modern principles for the first time in history permits a manufacturer trading over a wide area, the opportunity to establish a really valuable and permanent goodwill.

These are some of the opportunities to which I believe the British advertiser will eventually wake up. The signs of the last ten years encourage the belief. He is already "doing it better." Ten years ago there was hardly such a thing in the country as an advertising specialist. The manufacturer cherished the mistaken notion that because he manufactured an article he was the best man to "tell the story" of it to the public. He realises now that making a thing is a separate art from that of interesting the public in it; that the creation of a demand for his article where there was none before is better business than merely pulling over to himself a demand which is already given to a

competitive article, though both of these results are the legitimate fruits of advertising. The newspaper advertisement is an instrument capable of working in a single season revolutions in public taste that previously could only be accomplished in the course of generations.

Having learned these things, the British manufacturer will certainly try to "do it better."



Barry Davies

CHAPTER XL

HOLIDAY PUBLICITY

BY EVAN R. DAVIES

Secretary of the Federation of British Health and Holiday Resorts and Town Clerk of Pwllheli.

IT is estimated that the British public have hitherto spent at the rate of ten millions a year on foreign travel. This is not due to the greater attractions of foreign resorts, neither is their climate more salubrious nor yet the curative properties of their waters more efficacious. It is simply that foreign resorts have

learnt the art and value of advertising. It is probably true that Switzerland alone has spent as much on Press publicity schemes in this country, in recent years, as all our home resorts combined.

The comparison, however, is not altogether just, because the British Parliament has persistently refused to legalise the proposal to authorise our holiday places to spend the produce of a penny rate on Press and other forms of advertising. In Switzerland the entire business is organised to the last detail. The towns are federated. The hotels are federated. The apartment housekeepers are federated. They all recognise that holiday catering is their principal industry, and advertise accordingly.

British resorts are now moving in the same direction. The founding of the Federation of Health and Holiday Resorts is the best proof of their determination to support the principle of organised action. There is every prospect that the Health Resorts Advertising Bill will soon be placed on the Statute Book. When that is accomplished the holiday towns will command, in the aggregate, a very large sum of money for publicity purposes. If the towns enter into competition with each other the money may be spent to little or no advantage. By organised action they can secure a measure of publicity that will enormously enhance the position and prospects of every resort in the British Isles. London has long been the metropolis of the world's commerce. It is fast becoming the social and intellectual centre of Europe. It is to-day the resort and refuge of people from many lands, and in

times to come we may be sure that tens of thousands of our allied friends in Belgium, France, and Russia, will crowd our shores to bind still closer the intimate bonds of friendship which have been hallowed by the chastening spirit of a common sorrow and suffering.

It is a singular fact that very few of the scores of thousands of American tourists who visit London every summer find their way to our seaside resorts and inland spas. They visit places of historic interest which are described in literary books of travel, but they seem to have little knowledge of the charms and attractions of the holiday haunts which afford so much pleasure to our own people.

All this points to the importance and value of efficient publicity. Without doubt, the best method of advertising is through the newspaper Press. Carefully selected papers reach the very constituency sought. (I incline strongly to the view that attractive holiday sketches, articles and paragraphs produce satisfactory results.) Holiday pictures are also an asset of great value. The ordinary town or hotel advertisement conveys no idea of the place and its attractions to the ordinary reader. Compare it with the well-designed literary appeal of Selfridge or St. Ivel Cheese, and yet in the one case you have the interests and prosperity of a whole community at stake, whereas, in the other, the appeal is simply that of one trader or company.

In conclusion, I would again emphasise the importance of organised action. Let the good example which has been given by the holiday resorts be emulated

by the hotel-keepers of the country, and again in turn by the apartment-house keepers. An enormous sum of money is being literally wasted every year by hotel and apartment-house keepers on quite useless advertising in a variety of publications which produce no result. These productions are supported by unwary people, who are influenced by the tall-talk of plausible canvassers who have no interest or responsibility beyond securing their own commission. Surely the one and only way to secure effective publicity is for each resort to organise its own interests, and for all resorts to combine together in one common brotherhood, to develop the highest forms of organised action, for their mutual protection and advancement.

CHAPTER XLI

THE PRESENT AND FUTURE OF THE DRAPERY TRADE

BY ARTHUR D. DERRY

Of Messrs. Derry and Toms, the well-known Kensington Drapery House

FEW people can claim to have their finger more constantly on the pulse of the London public than those engaged in the direction of the large London drapery establishments. Every great wave of national emotion or sentiment makes itself immediately felt in those great shops through which the public's surplus of spending money is always flowing. According to the strength and the direction of the tide, one can read how public events are affecting the people, and there are very few events of real importance which are not instantly reflected before us in this manner.

If you ask why the drapery trade should exhibit this sensitiveness more readily than another trade, I would venture to offer as an explanation the fact that the class of women who are the chief customers of the great drapery houses are the first to gain by any accession of wealth by the public, and they are the first to lose by any contraction in the public wealth. In good times they at once benefit by the generous impulses which good times bring, and in bad times the tightness of money affects them with equal promptitude.

It is hardly necessary, then, for me to say that the war, which suddenly strangled the spending power upon luxuries, was instantly and severely felt by the drapery trade.

A type of the general experience of such houses as ours was the loss of a great part of the usual evening dress business, owing to the cancellation of dances, dinners, and other gatherings of fashion, the curtailment of theatre-going, and the absence of Court functions. The effect of this was felt all through the business of the house. Large quantities of gloves, stockings, shoes, and suchlike, which in ordinary times are sold as a matter of course, became unsaleable. Then the stock of model gowns which had been accumulated in readiness for the spring and summer seasons was rendered largely useless.

So far, all this sounds very like a tale of woe. But my object in going into these details is to show that even in such gloomy circumstances business opportunities exist for those who have the faith to recognise them.

One of the first business maxims is, Keep up your spirits ! To despair is to go under.

The drapery trade on the whole, I think it may fairly be claimed, followed that maxim. It found a good many compensations awaiting those who were ready to adapt themselves to the new circumstances. The Government contracts for military clothes stood us in good stead. The drop in the sale of women's requisites, too, was usefully offset by the big demand that sprang up for gifts for the troops, clothes and other

necessities for the Belgian refugees, and for charities of all kinds. There never were so many charitable works in London at one time as we have had in our midst this winter.

Another interesting feature of the war, mentioned here because it must be typical of what many business houses found, was the brave way in which our less expensive lines maintained their popularity. Thus, the 12s. 9d. hat, which is a well-known Derry and Toms speciality, selling at the rate of about 400 a day in favourable seasons, and on one occasion (King Edward's Coronation) scoring 1,500 sales in one morning, has been selling well throughout the war—at the expense, of course, of the hat that runs into guineas. One result of the war, I believe, will be found to be that all good bargain specialities like that will emerge from the ordeal with a permanently widened popularity ; which is a very good thing, because every popular article that is associated with any particular shop is a powerful advertisement for the shop. It brings there for its own sake an increasing stream of customers, many of whom will come again for the sake of other things they see while they are in it.

Such things as I have mentioned were natural compensations for the war loss of ordinary trade.

But we did not rely upon them. We decided, without any hesitation, to continue our advertising very much as usual, and I am quite certain that to that policy we chiefly owe immunity from a much graver loss of business than we have actually experienced. The drapery trade may now be described

as steady, and I firmly believe that advertising has had an essential share in making it so. From the first the response to it has been good. We advertised one of the largest sales of furs that we have ever held, as early as September, and although furs were a line that might have been expected to suffer with particular severity from war economy, we did very well with it—thanks to bold advertising. To-day the results of advertising continue to confirm that good impression. We find that an advertisement will produce as numerous—though naturally smaller—orders and inquiries as it did before the war; and the fact seems to establish beyond doubt that, provided the advertisement be addressed to the right people, the appeal of advertising has not been impaired by the war.

As to the future of the drapery trade, I regard it serenely. Considering the widened world market which the war may be expected to produce for British goods, and the wonderful recuperative power of the British race, I see every reason to hope that the future will be one of secure prosperity.



CHAPTER XLII

FIRMS WHICH MIGHT WELL ADVERTISE

BY GEORGE J. ORANGE

Mr. Orange is Managing Director of Messrs. Spottiswoode, Dixon and Hunting, the well-known firm of Advertising Agents.

It is certainly not realised as fully as it should be

that the war offers owners of certain commodities particularly favourable inducements to advertise their goods. Nor are these commodities a limited class. On the contrary, they range over an extremely wide field of domestic and everyday requirements.

For instance, before the war cold meat was not very favourably regarded, and hashed meat was taboo in many houses. But to-day one finds that every household is keen on getting the utmost out of the food that is being purchased. Here, then, is a chance for the sauce and pickle manufacturer, and for the man who has anything to sell that would make cold dishes and entrées more palatable. The same hint applies to manufacturers of tinned and potted goods ; and, arising out of this is another fact that might well be turned to advantage. The public is showing a decided preference, not only for articles manufactured here but for those made by neutral countries which exhibit a friendly tendency towards the Allies. It is really remarkable how international politics relating to neutral countries are reflected in the buying of the British public.

Are the manufacturers of British gas mantles, British glass, British lamps, British pencils, and so on, sufficiently proclaiming the fact that theirs are home industries ? I think not. Yet there is good business in it.

It has occurred to me, too, that a vigorous campaign in favour of balata as a substitute for sole-leather in footwear would be a very remunerative thing to embark upon. It does not seem to me that

manufacturers realise the present fine opportunity of overcoming the public prejudice against substitutes for sole-leather. They have in balata a material, which is not only durable, but comfortable and dry to the foot, as well as considerably more economical.

Dye-workers and cleaners might well seize this opportunity of advertising, seeing that people who, in the better times, were in the habit of getting rid of their little-worn clothes, are wearing them longer, and are interested in preserving the lives of their garments by cleaning, dyeing, and pressing them.

The question of mineral waters is worth considering. We have in this country quite a large number of excellent waters equal to, and even better than, the waters of the Continent. But fashion in the past has inclined people to ask for Continental waters, and the advertising of them has helped not only to establish, but to extend the demand for them. With rare exceptions, there has been no such enterprise shown in this country. There seems to me to be a great opportunity for the proprietors of British natural mineral waters to take advantage of the new prejudice that the war has strongly established against everything German and Austrian.

I will give one practical illustration of the value of advertising. The proprietor of a certain branded article, a household necessity, who had previously had a prejudice against newspaper advertising, began to reconsider his policy rather gravely soon after the war broke out. There were good reasons why he should do so—I need not go into them. He decided,

by way of experiment, to spend £40 in advertising. The result was satisfactory, and he doubled the outlay. The result was still more satisfactory, and he went on until in the course of a few weeks he had spent £3,000 in advertising. This firm, with its old-fashioned bias against advertising as a costly method of selling, was astonished to find how quickly it could, by that means, marshal the public interest in its goods.

I am optimistic about the results on business of this war. I believe that, taking business houses in general, the war will have caused a great deal of wholesome upheaval. It will have upset that spirit of *laissez faire* that has characterised many firms in the past, induced, no doubt, by good times, though never justified by them. They will have come to realise that they live amid exceptional conditions that have to be met in (to them) exceptional ways. I think all that is to the good. It suggests to me that many conservative business men will be more amenable to the consideration of the value of advertising as an instrument for getting and maintaining business than they have ever been in the past.



*Angus Watson.
31. 8. 1918.*

CHAPTER XLIII

THE NEW NOTE OF EFFICIENCY

By ANGUS WATSON

Of Angus Watson and Co., Proprietors of "Skipper" Sardines, etc.

ONE of the outcomes of the war is going to be a recognition of the soundness of Co-operation as opposed to the old competitive system. The employer will increasingly realise that he is often an over-paid unit in the

business machine; that he cannot possibly justify appropriating the greater share of the profits of his business, and that the men who are helping him to create his wealth are entitled to a proportionate portion of it.

We adopted a profit-sharing principle in connection with our own business some years ago. Every member of our staff who has served us for five years receives a share of our profits. The usual difficulties with a profit-sharing scheme are that the employee is tempted to regard this as a portion of his salary, and is, therefore, disappointed if during any one year payment is not made to him, and that generally he spends his profits as he receives them, so that they are not available when they are most needed. We overcame these difficulties by distributing our bonuses in the shape of fully paid-up life insurance policies, redeemable at twenty years from the first distribution. This provides an accumulative fund which at the end of twenty years should represent an amount as an annuity equal to the salary received by the employee when he first comes into benefit.

These profits or policies are distributed annually, and, curiously enough, by helping us to make economies in our business they have actually increased our net prosperity.

Again, the new note is going to be "Efficiency." It will be no longer true of England that she manages to "muddle through." I was recently told by an officer who had just returned from the front that our organisation in the North of France ran like a machine. Lord

Kitchener has inspired his juniors with the spirit of efficiency. This war is teaching our young business men that it is worth while finding out the right way of doing things. The same principle will be applied when these men come back to business. "Good enough" will no longer do. The very best that we have will be the price that we will be willing to pay for our future business prosperity.

Let business men definitely recognise that the only way in which they can ultimately capture German trade is by giving better service or goods than the Germans are now doing. Ultimately the buyer will purchase the best value for his money, whether it is produced in Germany or Great Britain.

All our wild talk about the capture of German trade ultimately comes back to an improvement upon German methods, and no amount of preferential treatment will ultimately induce the Bradford manufacturer to prefer an inferior British-made aniline dye to a better German product.

I have closely studied American and German business methods for a number of years, and I am satisfied, in spite of all that our detractors say, that the Englishman who will develop his capabilities to the full is as competent a business man as any other citizen in the world. Americans know this, with the result that many of the most responsible posts in the United States are held by British men.

A curious lesson that we will learn from the war is the power of advertising. America needed no proof of this power. She has recognised and applied it for

'years. But with few exceptions, the Englishman has always been shy of publicity. He has regarded advertising expenditure as "loss of revenue," and not as "increase of capital." The War Office has shown him how an army of 3,000,000 men can be raised in six months—largely as a result of effective publicity. The business man has watched the experiment, and is now in the way of learning the lessons that the biggest advertising campaign that the world has ever seen is teaching him.

Our own experience has been that as a result of ten years' continuous publicity in connection with "Sailor" Salmon Slice and "Skipper" Sardines, we are actually doing a larger business during the war than we ever did before it. Advertising is not a charge on a business ; it is an asset ; because all the costs of manufacture and distribution are regulated by the volume of trade done. Double your trade, and you may halve your working costs. Spend a quarter of the whole working costs of your business for one year in advertising in the second year, and you will probably be able to show an actual saving on your total percentage at the end of the third.

If I were counselling a young man just entering business as to what view-point he should adopt, I would say : "Learn to love the work that you are engaged in. Think of it with the same spirit of pleasure that you would give to a football match. See the fun of it ; recognise that it is just as worth while to secure prosperity for your venture in competition

with German industry as it is to score your various points in favour of the team you are playing for."

"How can I succeed in making lots of money?" said a man to Jay Gould one day, "and how can I enjoy it when I have got it?"

"A man can only make lots of money," replied the rich speculator, "when that is his secondary motive, and he can only enjoy what he has got when he doesn't care a cent whether he has it or loses it."

Let your business have the best that is in you. If you are the head of it, regard yourself as the goal-keeper, but let every man on your staff recognise that it is his game too. Don't always want to keep the ball at your own toes. The other fellow ought to be able to kick it too. Don't expect that nearly the whole of the day's money has got to go to you. Every one of the players deserves a fair share.

In a word, Co-operation, Efficiency, System, and Advertising, blended in their right proportions, are the inevitable recipe for ultimate success.



G.W.Kettle.

CHAPTER XLIV

TRADE WITH OUR ALLIES

By G. W. KETTLE

Managing Director of the Dorland Agency, Ltd.

MANY people are fond of talking glibly about the British manufacturer being behind the times, effete, and dull. I see the British manufacturer doing the biggest trade in the world, and I don't believe the

story. Since the war broke out a great deal of my time has been occupied in trying to cope with the preparations being made by British manufacturers for the boom in trade with our Allies which is to follow the war ; and, having witnessed what is being done in this direction, I believe the story less than ever.

Doubtless, British trade will experience a big expansion throughout the world. Chiefly the expansion will be in trade with our Allies and with what one might call our neutral friends. Of these, Russia will be the most important to us—Russia first, then Belgium, then America.

It will be Germany's trade with Russia that Great Britain will mainly capture. In 1913 Germany exported roundly £50,000,000 worth of goods to Russia. Long after the war there will be a strong prejudice in Russia against German goods. Already Russian commercial circles are forming societies with the object of boycotting German and Austrian goods, and proclamations have been widely distributed inviting merchants to establish direct commercial connections with the Allies. Unable herself to cope with the rapid development in railroad building, industrial enterprise, etc., which will follow peace, she will make large calls on British rolling stock, rails, building material, machinery, and motor cars. Her expanding mining industry in the Urals and Siberia, and the development of Siberian agriculture and forestry, will require great quantities of new machinery. The permanent business prospects can hardly be over-estimated.

British manufacturers should bear in mind, however,

that America is making active preparations, too, to invade this market. They will need to be on their mettle.

After Russia, Belgium offers enormous opportunities for development after the war ; and she will certainly turn to the nearest available market—the British market. France will be too busy reinstating her own devastated provinces to help Belgium. In particular, the prospects of the building industry are gigantic. I am closely in touch with two or three movements, backed by wealthy Belgians, for the reinstatement of their countrymen and the future development of Belgium. They are giving special attention to British constructional methods, and particularly to British sanitary methods, in which Belgium is a long way behind us. They find in England their best model, and many of their representatives are now inspecting our garden cities.

I will not do more than allude to the possibilities of the Balkan market, because it is more remote, although our motor trade with the Balkans has done well in the last five years, and when the war settlement has removed the fear of internal strife the attention of the population will be focussed as never before on industrial development.

The United States is an altogether different proposition for the British trader, and it is necessary for him to get a different view point if he is not to overlook his new opportunities there. He is often unreasonably shy of the American market and the American tariff, which does more by scaring him than it does in actually keeping out his goods. (After all,

the consumer pays the tariff.) He will have to remember that in the States, which import a great many things from Germany, there will be no permanent prejudice against German goods, and there will be, also, a large German-American section of the population working to help Germany to hold what will be a doubly important market for her after the war. But if he is alert the British trader will be in a position to go into the American market while German industry is still crippled, with a considerable advantage in hand.

The greatest opportunities there are contained in articles of general use of an advertisable character. There is an enormous buying population in the States for articles of domestic use, and it is a fact that they have a great predilection for articles of British origin, which gives the British trader an advantage, not only over his German but his American competitors.

I have a remarkable illustration of this in a statement recently made to our Brooklyn representative by Mr. Edward C. Blum, one of America's merchant kings, of the firm of Abraham and Straus, Brooklyn, in reply to a question as to the feeling for British goods in that city. Some extracts are worth quoting—they have not been published before. Mr. Blum says :

It is not being unfair to the goods of other countries to say that Brooklyn folk believe that no matter how attractive, novel, ingenious, and outwardly appealing the products of other countries and their own country are, for actual, unvarying quality, substantial dependability, through-and-through goodness, *the branded products of the British Isles are the standard of the world to-day.*

He speaks of the steady demand for Pears' Soap, "the imitations of which have simply enhanced its value," and, referring to groceries, proceeds :

We have perhaps the best sweet pickles in the world, made right here in America ; but years of experimenting and persistency have not yet produced a pickle or a vinegar that can equal Crosse and Blackwell's in the opinion of the people.

The same may be said of Colman's mustard, Cantrell and Cochrane's ginger ale and Club sodas, the biscuits of McVitie and Price, and Huntley and Palmer, McCann's Irish oats, the sauces of Lea and Perrin, Harvey, Holbrook, H. P., the savoury herring of the Aberdeen Preserving Co., and Marshall's of Scotland, Robinson's patent barley, Pascall's barley sugar confections, lime-juice from Rose and from Stone, the inimitable Cheddar and Stilton cheese, the uncakable Cerebos salt, Shaw's Limerick bacon, Denny's Wiltshire bacon, York hams, Hartley's, Keiller's, and Robertson's jams and marmalades, Lyle's syrups, Ross's raspberry vinegar, Tetley's teas, Lipton's teas and jellies, Cox's gelatine—these are some of the grocery goods in constant demand here.

There is a lot more like that—a statement that the British manufacturer ought to feel very proud of. And Brooklyn, a "city of homes," is only a type of American cities.

It behoves British traders to make their preparations for the coming boom in their foreign trade with all courage and enterprise.

My faith in the British business man is strong enough to convince me that he will not neglect the biggest opportunity that ever came his way.



P. L. D. Perry

CHAPTER XLV

CO-OPERATION AND ENTERPRISE

By P. L. D. PERRY

*Managing Director of the Ford Motor Company, Ltd.,
England.*

THE present is a remarkable demonstration of the value of commercial foresight so far as the business in which the writer happens to be engaged, is concerned. Mr. Henry Ford may not have foreseen the war which everybody else seems to have foretold, but he did

foresee the motor vehicle as the universal mode of transport where most others foresaw it mainly as an accessory of luxury.

Henry Ford gave expression to the faith that was in him, as the others gave expression to their faith. The result is that half the cars of the world are Ford cars although there are some hundreds of other manufacturers !

The extent to which the one-year-old Ford profit-sharing plan contributed to a thirteen-year-old success does not arise except in connection with the development of the past twelve months. Viewed as a business proposition, no sum of £20,000, which is the amount distributed among the employees of the English Company during the year, was ever more wisely invested. This is his own and his Company's decided view.

It cannot, however, be too strongly emphasised that this profit-sharing plan is only the most recent expression of the spirit and method which have pervaded the Ford factories from the commencement. High wages as the outward and visible sign of the co-operation, encouragement, and sense of responsibility inside, have been a constant feature of the Ford enterprise. Given a commodity suitable to the market, a broad commercial outlook, concentration, and a progressive factory organisation, then high wages and short working hours pay if the Ford Company's experience counts for anything.

As, since the introduction of the profit-sharing plan, production has enormously increased, it may be interesting to explain, shortly, what the scheme

amounts to. The English Company pays a minimum unskilled labour wage rate of 10d. per hour to every adult aged 22 and over. This is called true wages. In addition, every such employee, after a qualifying period of six months, receives a share in the profits.

These profits are worked out upon the basis of anticipated sales. In the case of the English Company selling cars only in the United Kingdom, the amount ear-marked and set aside for the purpose of distribution over the year ending March 31, 1915, was £20,000. Actually, it will be observed, the men received the money before the Company made it.

Distribution is upon what is called a sociological basis as distinguished from the ordinary method of profit-sharing. A foreman or skilled mechanic, whose true wage may be 2s. per hour, does not proportionately get so large a share in the profits as the unskilled man at 10d. per hour, for the reason that the former is not so near the minimum human necessity line as the latter. The standard of comfort of a Ford workman is set high to start with, and is considered a fairly constant quantity. The foreman is well above the standard. His margin is already ample. The unskilled man is close to it. He has little to play with. He is in need of a larger incentive to put out his best ; and he gets it. His share of the profits is another 5d. per hour, making a total of 1s. 3d. per hour, or a weekly income, on a 48 hours per week basis, of £3.

These particulars may contain a suggestion helpful to other manufacturers. They are set out in that hope. Meanwhile we have to face a state of war and the

fact that a large market *does* exist for the right sort of goods. Never before in its history has the Ford car sold so prolifically. Demand is indeed away in front of supply. Call it luck or what you will—there is the fact. The car fits the conditions not because these particular conditions were anticipated, but because it was clear to the designer thirteen years ago that a car must ultimately be for use and not for ornament; and that, under any circumstances whatsoever, utilitarian qualities and price would determine the size of the market and the success of the commodity.

The market for this commodity argues the existence of a market for other commodities which fit the conditions. After all, the most inexpensive car has a comparatively limited appeal. There is an enormous number of articles with an almost unlimited appeal even to-day. In those cases it is a matter of concentration, organisation, and publicity.

Concentration, because the splitting of interest and direction over many things is bad when the market wants one thing, and wants it better or cheaper than it can be obtained elsewhere. "This one thing I do" is a good maxim in these last days.

Organisation, because inefficiency in men is as bad as outworn and antiquated machinery. Scrap both.

Publicity, because, despite the famous dictum of Emerson, the world will *not* make a track to your door unless the world knows that within is something better in some essential respect than anything else in the same category. Effective publicity is a matter of brains, expression, a knowledge of the goods, and a knowledge

of the market. A large percentage of present-day publicity work is a crime against commercial sanity.

The conclusion is that the discovery of the business opportunities of the present involves the necessity for suiting the goods to the very radically changed market; as distinguished from attempting to force the market to consume unsuitable goods, and bewailing the evil day because the response is not loud enough to drown the voice of the Official Receiver. The idea that the war is going to purge and purify public and commercial life, as well as private character, is vain imagination. But although the market will expand, and purchasing power increase, the fundamental economic factor will remain constant. Those who, under the spur of necessity, bought the article of low price and found to their surprise it was the full equal of the expensive and ostentatious article may want more for their money in the future than before. In any case, in the competitive arena a price advantage must win—other things being moderately equal. Price being fixed by cost of production, it follows that in the future, precisely as in the past, labour cost, factory organisation, concentration, and size of output will determine the survivor of the struggle for the market.

If the British manufacturer, starting with an Empire market at his disposal, and on equal term with the world in neutral markets, can control these essentials of economic supremacy then he can compete successfully with whoever comes against him, whether from Germany, America, or elsewhere. If he cannot—



CHAPTER XLVI

PRESENT CONDITIONS AND FUTURE POSSIBILITIES

BY SIDNEY ALLNUTT

Editor of the "Advertising World"

ADVERTISING is the visible flying of the commercial flag, which just now must be kept displayed where everybody can see it, for reasons that go far beyond any of the ordinary necessities of trade.

It would be the duty of advertisers to "carry on" at any possible sacrifice if the necessity arose. Fortunately, most of them can do so to their own advantage,

as well as that of the public, as things stand at present, in the commercial world.

It may be stated without reservation that except where highly priced luxuries are in question there is no discernible reason why the advertiser should not to-day obtain almost, if not quite, as satisfactory a response to his announcements as ever before ; more especially as many of the most important newspapers are offering him hugely increased circulations at the old scale rates.

It is significant that without exception the firms which refused to be frightened and which have advertised steadily all through the critical months of the war declare they have directly profited by the policy they have pursued, and that one after another of the firm, which at first either discontinued or heavily reduced their advertising have found it advisable to return to something approaching their peace time activity in the publicity department.

I have had occasion to discuss this matter with a large number of advertisers during the past few months and have been assured on all hands, by manufacturers and retailers alike, that it has, as a matter of solid fact, paid them well to continue advertising as nearly as possible on the same scale as before the war. Such losses as have been incurred, except in the cases of vendors of luxurious superfluities, have been the result of stoppage or restrictions of supplies far more than of any noticeable diminution in the volume and value of demand.

Apart from patriotism and immediate profit, there is another very cogent reason why the advertiser should

, continue his operations. He has to preserve the goodwill he has built up by advertising for the peace time that is coming. He can only keep his place in the public regard by constantly reminding all and sundry that he is "still doing business at the old stand." The cost of rebuilding a lapsed goodwill when peace is declared is likely to be much more heavy than that of maintaining it in sound condition all through the war.

To suppose that it will be easy to take again "later on" a vacated place in the market is for the advertiser to make a fatal mistake. If the place in question is at all desirable, there will be no lack of energetic claimants to it. Over and over again advertisers have suffered irreparable damage by indulging in temporary economies in their expenditure upon publicity, either in the belief that they were already too firmly established to be adversely affected or for other reasons.

For one advertiser to ease up on his activities in the domain of publicity is for a rival to put forth redoubled efforts. And it is remarkably easy to erase any impression from the public mind, however deep it may seem to be. The advertiser who trusts to the tenacity of the public memory is relying upon the weakest of all supports.

If an aggressive "selling" campaign is out of the question for the time being, the advertiser will find at least that he must continue "reminder" publicity, or retire into an obscurity from which it will be difficult to emerge.

It may be remarked, that if trading conditions are

for some time difficult—and there is little doubt that such will be the case—advertisers will not be able for that reason to relax their efforts, but will, contrariwise, be compelled to increased activity. Going uphill or over a rough road one must have more, not less, motive power. And systematic and consistent advertising is the power that keeps modern business moving.



John Mackintosh
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CHAPTER XLVII

THE IMPORTANCE OF SMALL BEGINNINGS

BY JOHN MACKINTOSH

Head of the Firm of John Mackintosh, Ltd., the well-known makers of Mackintosh's Toffee, etc.

WHEN I hear anyone speak of business opportunities my mind goes back to the time, 25 years ago, when I opened business as a toffee manufacturer in a little

shop in King's Cross Lane, Halifax. That was where I first began to see and to seize my business opportunities.

When I was a boy, the variety of sweets on the market was very small. The confectioners' windows offered little besides "Betty Wood's Rock," hard-boiled "bull's eyes," and chocolate. I thought the people wanted something else, and presently the first business opportunity revealed itself to me in the shape of an idea that the soft-eating caramel toffee, made of ingredients that should be scrupulously good and pure, was one of the things that the public would take to. So I started to make it.

Having made it, I lost no time in advertising it. In those days to advertise a simple thing like toffee was considered very adventurous—even presumptuous—though Yorkshire has a saying of its own, "Early to bed, early to rise, never get drunk, and advertise." But there is nothing so simple that it is not worth advertising, so long as it is good.

That day was a triumph for our little shop when, as the result of a small advertisement in the local papers, the people of Halifax accepted our whole stock of toffee, 14lbs. in weight. The next Saturday we offered them 28 lbs., and people came out of their way to buy it. Quickly we widened our scope, and offered Mackintosh's toffee for twenty miles round Halifax. The demand widened according to the scope of our advertising. We entered the columns first of one of the county papers, and then of all of them. After that we invaded the Lancashire papers as well. Finally

we found ourselves in a position to use the great national newspapers.

Thus, out of that first business opportunity represented by the little advertisement in the local paper, had grown up a national industry in a national sweet-meat. That little advertisement was a right beginning, which had landed us on the high road to success.

We nibbled at space at first. Then we found our sales increasing, and we took larger spaces. Always the sales grew with the advertising, until we were able not infrequently to employ what is perhaps the most expensive, as it certainly is the most remunerative advertising in the world—full pages in the London daily newspapers, *The Daily News* being counted among the most important.

The young man in business may possibly sigh when he reads about such spaces as these, and regard them as things beyond his dreams ; but experience suggests that if one could live one's business life over again it would be better to get into one's advertising stride as soon as possible.

But that is a problem that comes later. The important thing is to begin well, and the great principle for starters is to get a thorough grip of the value of small profits and quick returns. In our early days we found that a thousand retail shops selling our toffee gave us a better return in profits than a much larger margin on the sales at our single shop. It would puzzle a mathematician to worry out the microscopic profit that we receive from the weekly purchases of Mackintosh's toffee by any one retail confectioner.

But there are thousands and thousands of these retail confectioners throughout the length and breadth of this and other lands, and this multitude of small decimal profits quickly gathered in week by week makes business remunerative.

"That is the secret of most of the things which one sees advertised day after day. Those businesses have been built up on the basis of small profits and quick returns which advertising makes possible.

I place such importance upon advertising that when I have once adopted a medium for my appeals I very seldom drop it. Having gathered round him a public, which is what the consistent advertiser does, he should never neglect it.

So, if I were asked what is the best business opportunity the trader, great or small, can have, I should point to the advertising columns of the daily newspapers. They secure more customers at a stroke than any other means open to him ; and every customer thus secured, provided the article advertised is a good one, becomes a missionary for it. He has proved that what the advertisement said about it is true. He has come to believe in the advertiser and trust him ; and just as he will go out of his way to say a good word for a friend whom he has learned to believe and trust in, so he will be glad to do the same for the subject of the advertisement that has gained his confidence.



F. H. F. Beckham
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## CHAPTER XLVIII

RAILWAY ADVERTISING

BY F. H. F. BECKHAM

*Chairman and Managing Director of Messrs. Wills,  
Limited, Advertising Agents.*

As all those connected with advertising can confirm, advertisements judiciously and properly placed must lead to additional business, and curtailment in this direction is more often than not followed by a proportionate falling off in revenue. It appears to me

that the present is the time when every commodity, which it is desirable to bring to public notice should be kept well to the front, and that whatever saving it may be necessary to make in the matter of working expenses, great care should be taken not to lose business for the want of proper advertising. Indeed, my own opinion is that from a purely commercial standpoint, and quite apart from the agent's interest, now is the time to *increase*, rather than decrease, the output of publicity announcements.

In this connection it may not be out of place—having regard to my firm being official advertising agents to the Great Western Railway Company—to make some observations upon Railway advertising.

I have always maintained that the railways were just as likely to achieve the best results by display advertisements as any ordinary trade advertiser ; and accordingly various schemes were submitted to the Great Western Company, which caused them to adopt the principle of extensive advertising throughout the kingdom, and giving in the papers display and pictorial announcements of the many advantages of travel over their system. The effect was materially to increase travel in the British Isles, and at the same time to bring to prominence many health and pleasure resorts which were hitherto but little known.

The literature of the Great Western Railway forms a prominent part in the scheme of general publicity. Especially do I refer to the travel books issued by them. These books are to-day the most unique and instructive of any railway literature in the world.

They have been used as text-books in public schools, and are certainly worthy to be placed among one's private reference books for enlightenment at any time, such is their educational value.

The new advertising was not merely an expansion of the old. Instead of confining the subject matter to excursion dates and times, the Great Western struck an entirely new note by advertising the beauty spots and health resorts on their system. This policy was particularly exemplified by the energetic publicising of "the Cornish Riviera." That phrase—who has not heard it?—has now passed into the common currency of British geography. By means of advertising literature all the beautiful areas served by the line were systematically and attractively pressed upon the notice of the public. Thus, the manifold attractions of Devon, "the Shire of the Sea Kings," were enlarged upon, North Wales and the Dee Valley, Dartmoor, Dorset, and many other districts. The G.W.R. became known and spoken of as "the holiday line," and in order to bring this about great care was taken to set forth the advertising matter in a literary and attractive form. In addition to the general advertising of counties and districts particular attention was given to individual towns on the system. Special advertisements were issued dealing with the advantages and attractions of some of the world-famous resorts served by the Company.

The daily newspapers were one of the most valuable assets in the Company's advertising campaigns. The railway travelling public has the inveterate habit of

newspaper reading, which makes the newspapers the quickest and easiest medium for reaching the people to whom the railways wish to appeal.

There is another element in the case which predisposes the railways to newspaper advertising. They are the means by which the papers are distributed, and thus they have constantly under their notice the enormous powers of penetration possessed by the modern newspaper. Seeing every day the wonderful manner in which the papers push their way into the homes of the most remote sections of the population, they are in a better position than most advertisers to appreciate the value of their publicity.

Naturally the Great Western's policy has been greatly appreciated by the towns on the Company's system, which have benefited so enormously thereby. One could mention resorts, now popular and populous, which only ten years ago were nothing more than fishing villages. Such towns have been encouraged to advertise on their own account, and the success of the experiment is sufficiently proved by the fact that many of them are now spending on advertising ten times as much as they did six years ago. Go-ahead resorts have realised very quickly the value of the example set by the railway that serves them, and advertising has thus created advertising.

There is a big future before railway advertising, and it will, in my opinion, develop alongside a great expansion in the use by individual resorts of the influential medium of the newspaper.



A. E. Duchesne

## CHAPTER XLIX

BRITISH TRADE WITH INDIA AND THE EAST

BY A. E. DUCHESNE

*Commissioner for the United Kingdom for the Indian  
Tea Cess Fund.*

THE label, "Made in Great Britain," is recognised all over the East as implying genuine honesty of workmanship. This is an asset of inestimable value which should never be lost by us. Yet it is not sufficient. We have not done enough. Besides quality we want

suitability. It is here that the British manufacturer too often fails, and fails from an utter inability to understand that primary principle of all commerce—that the purchaser buys what he wants, and not necessarily what the vendor wishes to sell.

\* Both in India and China vast openings will present themselves under two aspects. There will be machinery and implements required for the industries which are soon to spring up or to be revived in both countries. There are also the everyday wants of the people. Naturally these two categories appeal to two different classes of manufacturers. The problems involved in each class differ in some respects, but the main principle to be applied to their solution is the same in each case ; study adequately the requirements and aim at their adequate fulfilment.

With regard to the former category, both India and China are in the throes of an awakening. The latter country has natural resources of almost fabulous value. Within a few years from now she will be planning huge railway schemes, prospecting for minerals and opening up mines, starting factories with indigenous capital in the chief coast towns. When that industrial awakening does come to China it will mean something colossal. The problem here is almost more diplomatic than commercial. We want her future captains of industry to be trained in Great Britain. Her embryo engineers and scientists should come here in throngs. At present they go mainly to the United States. Our loyal ally, Japan, is already alive to the

potentialities of the situation, and it is our duty to co-operate with her in every possible way.

In India the case is somewhat different. We have the field in our own hands if we like to cultivate it properly.

Both in India and China the manufacturers of the first category must bestir themselves. They must not wait for business to come to them, but must go in search of it. They must get into touch with Government Departments, such as the Indian Geological Survey. They must send out qualified men to study the problems on the spot, to suggest to and advise the local magnates and capitalists, and to listen to their suggestions and advice. The possibilities of the near future will not recur if once they are let slip.

The second category is by no means unimportant. As the East awakens it requires more and more of those Western accessories to comfort of which it has hitherto felt no want. India imports, for example, some million pounds worth of paper every year, much of which has up to the present come from the Continent. For the highest class of work British handmade, bank, and art papers hold their own. There is, however, a distinct opening for the lower grades, if only what is required can be produced at the right price. Continental dumping will probably be less in vogue during the early years of peace than it has been for the last twenty years, and advantage should be taken of this fact.

There are many such articles as toilet soaps to

which there is a steadily growing demand. The desideratum in this case is a soap of purely vegetable origin, put up in attractive cartons, with vernacular descriptions, texts from the Koran relating to ablutions and such like matter printed on the box or wrapping. For Muhammadans the boxes should not bear any likeness of the human figure.

Space will not permit of any more detail, but such articles as woollen cloth, cutlery, lamps, toys, and beads are all now largely supplied from the Continent. In all cases there are three things necessary to remember. The first is that India is not England. It has many races and many languages. Therefore, the commercial representative should know at least Hindustani, and should study the habits of the various classes in the different provinces. The second is that the reports of such duly qualified representatives should be listened to and acted upon. The old attitude, "That is not our line," will not bring business in face of the growing discernment of needs and values among the Indian people. Lastly, it is absurd to have all prices and descriptions in English. What is wanted is C.I.F. rupee quotations backing up plain descriptions. All this in one or more of the leading vernaculars. There are traders in the Indian bazaars who can put down their lakhs of rupees, but who are nevertheless ignorant of English. Why should they trouble to have translated an English quotation when a suave obliging Continental representative is ready to hand them a quotation to their own specification, C.I.F. Bombay, Karachi, or Calcutta,

and in their own language? What applies to India is equally applicable, *mutatis mutandis*, to China, Siam, Ceylon, and Malaya. The golden rule is: "Do not despise your(potential) customer."

If this procedure seems to involve heavy expenditure it should surely be possible for firms to group themselves together for the purpose of investigation and report. For example, the drug trade might well combine to send out a man to study the possibilities of bazaar business. The aspirin group of derivatives have great value in tropical countries, and there are many similar drugs hitherto supplied either from Germany, or Japan, of which the former's share might well pass into our hands. If concerted investigation and report were made it would be quite possible for individual action to follow. We have now a golden opportunity for energy and organisation, qualities for which our German rivals have hitherto been conspicuous above us.



## CHAPTER L

AIDS TO BUSINESS

By K. W. JOHNSON

*Managing Director of A. W. Shaw Co., Ltd., proprietors of SYSTEM, the Magazine of Business, and publishers of books on business subjects.*

CONDITIONS in business have been changing radically in recent years. In the early days of international trade, when Britain was establishing herself as the leading commercial nation, personal daring and

'initiative, the spirit of the pioneer, inventiveness, financial resources, shipping connections, were the first requisites. To-day, now that these factors are secure, the prime essentials of business are method and organisation.

In the conduct of the war itself we are learning this : It is not enough that we have the oldest industrial works in the world, with the best equipment, and the most skilled workmen. These will not produce the maximum of munitions and military supplies needed unless supported by the finest organisation and the most efficient methods. This is true of every separate business. And signs are increasingly evident that we are learning this truth. For the breaking of precedents is by no means being confined to the work of the Government. The war has given a tremendous impetus to commercial enterprise.

Manufacturers have turned from their old staple lines to new lines for which there was an immediate demand ; as, for instance, a producer of articles used in sports and games turned all his resources to the manufacture of camp outfits, periscopes, and other military supplies. Some articles in which foreign manufacturers held a monopoly because it was thought that they could not be made in England are being made here, not only for home consumption, but for export. A paper maker who had an idle mill on his hands because there was no longer a demand for the kind of paper it supplied is now running night and day, producing a paper hitherto imported from

Germany. Traders are finding new outlets for their goods and new channels of distribution.

As a nation of traders it is only fitting that the crisis should have acted as a stimulant to merchandising ability, and to-day selling methods are markedly alive and progressive. If demand in some lines has been curtailed, increases in other directions more than compensate for the loss ; those traders are gathering in their share who have been the quickest to accommodate themselves to new demands or to anticipate new openings.

When manufacturers face the necessity, as they do to-day, of producing the same or a larger output with a decreased staff, then they are eager to find a machine or an organisation method which will allow them to do with six men the task that required ten men before. And whether this is a new machine, or a new grouping of old machines, or better working methods on the part of the mechanic, or better supervision—this is all a part of more efficient method and organisation, and it serves a high purpose in helping to maintain the business of the nation.

Traders are making every effort to effect economies and reduce expenses, and they find that the use of a duplicating device, for instance, which expands the field of their sales is not an expense but an investment which brings back returns. Like every other useful machine, such a device can be made to pay its cost many times over when intelligently used.

Advertising itself is this kind of tool—a modern method for getting certain results in a shorter time

and with a less expenditure. And never has this tool been more necessary or potent than now. Advertising is the short cut between old products and new customers, between new products and their markets. Business men found that in time of war, with its inevitable disturbance of production and distribution, the importance of advertising increased ; for advertising can be made to exert a steady influence and to soften the shock of readjustment.

I say with knowledge that advertising is now "more potent" than ever, for I have found that our own advertising to business men is to-day bringing better results than at any other period. And this is the experience of scores of advertisers with whom I am in personal contact. Advertisers report "a certain liveliness" which sounds a new note in advertising, a keenness on the part of business men to adopt forth-with services or equipment that under normal conditions might have waited for a convenient season. This spirit means quicker sales for the advertiser, and lower selling cost.

In the course of a recent interview the managing director of a firm whose product is known all over the world made the following statement to the Editor of "System" :

Managers of all departments have instructions to watch the advertising pages and to place a trial order for every new article or service that appears therein from month to month. This standing order is given, not because we are sure

that we need everything new that comes out; but because we want to be sure that we do not miss anything that can be of service in making our business more efficient throughout.

Indeed, the entire British nation seems to be on the alert for the new, the practical, and the efficient.

This, then, is not a time for slackness and discouragement in business—but for initiative and enterprise. The crucible of war is testing the fitness to survive of those in the business field not less than those in the battlefield.

This growing enterprise and quickening of interest means, I believe, that the business which waits and delays now, which holds up all new plans, which incurs no obligations, whether of ideas or money, beyond to-morrow, will lag farther, and farther behind, will shrink and shrivel—will lose momentum and spirit.

It means that the business which intends to come out of this strenuous period as strong as ever must, as always, be progressive, must initiate new plans and carry them out, go after new trade, strive to win new records, and keep its spirit optimistic and progressive.

In fact, *now more than ever!* For we need not hide from ourselves the fact that conditions are more difficult, obstacles more serious, risks greater.

All the more do we need better methods than ever before—methods that will bring greater efficiency, closer economy, better results.



*E. Le Rouvillois*

## CHAPTER LI

FRANCE AFTER THE WAR

BY E. LE ROUVILLOIS

*Mr. E. Le Rouvillois is the Managing Director of the J. Fortin Advertising Agency of Paris, London, and Rio de Janeiro.*

LET us consider a moment the imports into France before the war, even when the firmer consolidation of

the Entente Cordiale began to make Frenchmen and Frenchwomen John Bull's best customers. Then our three greatest providers were Great Britain, the United States, and *Germany*; Germany by virtue of the still-existing influence of the enormous trade concessions secured by the peace terms of '70. But Germany's gains in '70 will be our gains in 1916. From my own personal experience of British advertisers who entrusted their business to our Paris agency (and what better guide than personal experience?) John Bull had only to advertise in France (provided the goods were good) to gain a firm footing in a land with a population of over 40,000,000.

Many will say, "It is of no use trying to do business with a bankrupt nation. A country is no field for future business if it is in a state of poverty."

This is perfectly true if France were in a state of poverty. But she is not. Even now there is no increase in the prices of foodstuffs at all comparable with that in England. Even now the national resources of France are almost as great as at any time before. Business is, of course, practically at a standstill, but it resembles a gigantic watch spring—all ready wound up, but temporarily without the men to set it going.

The war has had at least one good effect. It has set free millions of money that in the ordinary way would have been lying idle and uncirculating like a hoard of gold in a Bluebeard's chamber. But Bluebeard (*Barbe Bleu*) is dead. The Triple Entente, and most of all France, rub their eyes in astonishment

to see how unexpectedly rich they are. Then again there are incredible numbers fulfilling Government contracts and getting well paid for doing it.

Everybody here realises what England is doing to help us. War-bitten old Piou Piou, seemingly without a spirit less grim than that of war itself, warm into enthusiasm at the mere mention of anything British. Our womenfolk at home—everybody—will buy a British product rather than any other. *And the prejudice against anything German will last for half a century.*

Then there are the iron and coal, the wine and hops, the cotton and the tobacco—riches unaccountable—of Alsace-Lorraine ; the new spirit of work and energy given to the French people—and the final consolidation of the closest entente ever consummated between two nations—that between France and Britain.

I have felt, indeed, in spite of the claims of war, so much the necessity of furthering these Business Opportunities that I have even instituted an Enquiry Bureau at the Fortin Agency, 3, Rue Geoffroy Marie, Paris, so that our experience and advice may be placed at the disposal of British business men who wish to investigate matters as a preliminary to “working” the French market. I arranged this with my co-directors because I thought it not only a *good* step, but a *necessary* step to assist the British trader.

It will be our purpose to advise inquirers in every possible way, and I think that any Frenchman, placed as we are placed, would do the same.

Let me add just one word more. It concerns a

trait of citizen and citoyenne alike that is perhaps not as fully realised in England as it might be. This is their undeniable enthusiasm for shopping, whether by post or in person. They do not buy things "cheap and nasty," but prefer to pay a good price for a good article. *Verb. sap.*

## CHAPTER LII

### THE LESSON OF THE MOTOR CYCLE

By C. VERNON PUGH

*Chairman of Rudge-Whitworth, Ltd.*

FEW trades have had their powers of adaptability and enterprise more severely tested than the cycle trade. We, indeed, should know something about business opportunities. Indeed, the cycle trade has exemplified better, perhaps, than any 'other, a great fact which is rather lost sight of in discussing opportunities—namely, that in business an opportunity, unless it is energetically seized, often reverses its character and becomes a disaster.

If the cycle trade, when the motor revolution set in, had attempted to resist the rapid and tremendous changes that it wrought in the cycling world, or had given way to despair on seeing the whole framework upon which it had painfully built itself up suddenly left derelict, disaster would have overwhelmed it finally. But every crisis is an opportunity to the man of courage and resource. The cycle trade, fortunately, was manned with the right material. It accepted the situation for an opportunity instead of a death sentence, adapted its product to the changing demand—and reaped the reward.

The British trading community as a whole badly

needs to acquire the spirit of adaptability. It has seen its trade eaten into all over the world by more go-ahead competitors. It seems to have needed an enormous war to shock it into its senses. To-day there really is noticeable a healthy spirit of inquiry and concern ; one hears that open confession which is so good for the soul ; the British trader has at last been convinced that he has some rather serious faults.

The lesson which the cycle trade, out of its own hard experience, offers him is this : Leave off complaining that foreign markets obstinately persist in demanding an article different from what you make. Cease the wailing about their bad taste in preferring other people's goods. Don't sit down and fold helpless hands before the evidence of altered public requirements. The manufacturer is the servant, not the arbiter, of the public taste. If an article loses its popularity, it is because something else has taken its place. The manufacturer's business is not to bewail the fact, but to find out what it is that has usurped the old position, and then never to rest until he has produced a better example of it than anybody else.

This war has incidentally been a remarkable vindication of the energetic, go-ahead business policy of the British cycle trade. We little knew, as we strove year after year to perfect each part of the motor cycle's intricate mechanism, emerging every show-time with some new improvement, adding a bit here and a bit there to its efficiency, and whittling down little by little the cost of its production, that we were really preparing it to be one of the most valued

servants of our country in the great struggle for national existence which is now proceeding.

Only the best is good enough for modern war. Thus came the test of what we had been doing. It was to prove with what success and with what wisdom we had made use of our business opportunities in peace time. Imagine, then, the pride and satisfaction which Rudge-Whitworth felt when, as soon as war broke out, we found ourselves working at high pressure on Government orders. Not only the British, but the Russian Government came to us—came naturally, because a necessary part of our policy had been world-wide advertising. The Press, and especially the great daily newspapers like *The Daily News*, goes everywhere, and Rudge-Whitworth had, by its means, made the Rudge cycle world-famous. The Russians ordered no less than 400 machines. Quick delivery of them was of paramount importance, and the Rudge factory, from manager to office-boy, tackled the urgent requisition with such enthusiastic patriotism that the whole 400 were built and dispatched between October 2nd and October 20th.

It was all due to the energetic pursuit of business opportunities during the ordinary times of peace, when war with Germany was never dreamt of. I don't think British manufacturers are likely ever to forget the weight of that lesson taught by the war. It has shown them that only by the determination to produce the best of the article that the public wants, by never tolerating the notion that it is so good it cannot be made better ; and only, even then, by giving

it the very highest possible degree of publicity, can they survive the supreme test which in some form or other—be it war or be it something else—is bound to swoop down upon them.

I am almost inclined to say that that which does not survive triumphantly this ordeal of the war will stand convicted, without further evidence, of inefficiency. Certainly, what does survive will reap an advantage from the war beyond our present means of estimation. The motor cyclist dispatch rider at the front, in the eastern and the western war theatres, riding his machine over all manner of bad roads, is giving the Rudge a stupendous advertisement which will go on bringing business to Coventry long after peace has been proclaimed. The same thing will happen with all good products of British manufacture which have properly used their opportunities in peace time. Where a thousand people took note of a good thing before last August, tens of thousands are having its points brought home to them to-day.

What an advertising agent is war ! While we hope with all our hearts it will never exercise its functions again, we need not ignore its lessons, and one of the chief lessons it carries for the business man is, undoubtedly, that advertisement is a force which opens the world to what it sets its seal upon.

C. Greenough.



## CHAPTER LIII

EFFICIENT SALES PROMOTION

BY E. S. DANIELLS

*European Manager for the house of Ingersoll and  
President of the London Sales Managers' Association.*

ALL successful and profitable business requires four factors in one form or another. No matter whether one is engaged as a manufacturer, a wholesale dealer,

or a retail shopkeeper the same four elements must be considered—*i.e.* capital, executive, factory, and selling. For the purpose of this article we will confine our attention to the selling end of the retail shopkeeper class of business.

• Just as a retailer does not have to own nor have any financial interest in any of the various factories that produce the goods he sells, neither need he necessarily own all the capital needed to begin or conduct his business. But the factory and the money are necessary factors in his business just the same.

Many failures are due to lack of a modern efficient executive plan, which includes proper bookkeeping, buying, costing, figuring selling prices, knowledge of percentages, taking advantage of all cash discounts, etc.

Let us assume that the retail dealer has (1) sufficient capital in money (or credit at his bank), or is able to purchase on credit from manufacturers or wholesalers all the goods he requires at favourable cost prices, which is equivalent to capital ; (2) that he has a proper bookkeeping and executive department and plan. We may then concentrate our attention on the selling end of his trade.

What a great pity so few retail shopkeepers realise the difference between selling and service.

Mr. Selfridge said he would build and stock a large store for the purpose of selling service. People laughed and refused to buy shares in the company. Now the Common shares are paying 15 per cent. dividend, with no such shares for sale, and when several hundred thousand Six per Cent. Preference shares were offered

to the public about a year ago they were over-subscribed several times over in a few hours.

There is a great difference between the shopkeeper who merely exchanges goods for money—just passing the goods asked for across the counter in exchange for cash—and the dealer who regards his shop as being for the purpose of rendering service.

What a blessing it will be for every town and village when its shopkeepers fully realise that HE PROFITS MOST WHO SERVES BEST. The first thing for a shopkeeper to consider is to place himself in a position to supply his townspeople with what they want and not restrict them to such goods as the shopkeeper thinks they ought to have. And, second, to supply only goods of good quality, which will help him to build up and maintain a reputation for selling quality goods.

It is much easier for a retailer to sell goods bearing the brand or trade mark of a reputable manufacturer, especially if, as is usually the case, such goods have the prices standardised and are advertised.

“ Quick sales and small profits ” is a far better plan than selling a similar but cheaper, inferior, and unadvertised article that takes a lot of time to explain even if each sale yield a few pence more profit per article. It pays to sell goods that give lasting satisfaction.

Advertising should be regarded and so conducted as to be an asset and not an expense.

The shop window is the shopkeeper’s cheapest and best advertising medium, but comparatively few dress

their window attractively. As a rule, too many goods are crammed into the window.

A selling expert said recently that the centre of a double-fronted shop is the middle of the doorway and not halfway between the front and back of the shop, as most retailers imagine.

Many retailers would promote more sales by cultivating a more cordial relation with the factories and by taking a keener interest in displaying and selling quality goods instead of just cheap-price goods, branded goods, instead of nameless and usually inferior ones, advertised brands instead of unknown makes.

Goods with maintained, standardised prices, cost no more and enable the smallest shopkeeper in the smallest village to render the same service as the large store in the large city. That is obviously better than selling an article which may be obtained in half a dozen or more shops in his town at as many different prices and at still lower prices by the big stores in near-by large cities.

Where a small shopkeeper has to employ one or more sales clerks it is economy to secure neat salesmen or saleswomen with selling ability. The difference between a cheap, careless clerk and an efficient stock and sales clerk will be saved many times over in stock well cared for and customers well served.

Most retailers carry what they call a "trade card" in their local paper.

Often it's just a plain, bald announcement without border or illustration, and repeated time after time. That kind of advertising is an expense. (So is a

window that is not kept clean, and frequently and attractively dressed.)

In most cases when goods are of

Standardised Quality,

Standardised Fixed Prices,

Trade Marked,

and Advertised,

the makers would gladly co-operate with the shop-keeper and supply him with eye-catching electros and even help him prepare a series of half a dozen attractive illustrated advertisements that will bring the people to his window and into his shop—to use in place of his uninteresting “cards” in the local paper:

Likewise, the factories would gladly loan him free special window displays, for use for a fortnight or so, in rotation. It is possible for even very small shopkeepers in the smallest towns and villages to make it such a pleasure for their neighbours and townspeople to come to and buy in their shops that they would never think of going to a larger city to get anything which they can supply them with.

In conclusion, I would recommend to the attention of every dealer the motto of one of our large customers : “The recollection of the quality of the goods and the services rendered will remain long after the price is forgotten.” Also the watchword or motto of our firm : “Giving all we can for what we get, instead of getting all we can for what we give,” and repeating one already mentioned above, “He profits most who serves best.”

A handwritten signature in cursive script, reading "W.M. C. May". The signature is fluid and has a personal, handwritten quality.

## CHAPTER LIV

THE TRADER AND THE RAILWAY

By WM. C. MAY

*Chief Traffic Manager of the Great Eastern Railway*

WE railwaymen say boldly that we are proud of the manner in which the railways bore the unprecedented strain put upon them by the war. Railways and railwaymen have done well; not one railway, not an

individual here and there, but the whole of them taken as a body.

One day may be told the full story of the stupendous traffic problems caused by the outbreak of hostilities, their successful solution, the titanic labours accomplished, the extraordinary complexity of the conditions that had to be faced. It will make an enthralling narrative. Meanwhile, the public will realise, with the railways surrendered primarily to the needs of the military and naval authorities, what enormous difficulties have been placed in the way of running the ordinary train services. The Great Eastern Railway, for instance, from August until the end of January, ran 2,793 special military trains—an average of fifteen per day. This single fact gives some indication of the pressure put upon the railways of the United Kingdom as a whole as a direct result of Government requirements.

But the strain has been intensified by other consequences of the war. I refer particularly to the conveyance of large quantities of entirely new goods traffic. Imported merchandise which, in the ordinary course of things, would come by sea to the London Docks and be distributed without touching the railways, is now brought to the West Coast ports and railed to the capital. Traffic from Denmark and other Continental countries, normally reaching the Metropolis by water, or by short rail journey from Parkeston Quay (Harwich), is now discharged at northern ports, involving long rail journeys to its destination. Coal, too, that used to be seaborne, has been transferred to the railways.

If all this additional pressure had been met at the expense of the ordinary traffic, with a general disorganisation, there would be little call for congratulation. But, as a matter of fact, except during short periods of acute pressure, there has been no great interference with the delivery of important merchandise. Such delay as has occurred has been due rather to shortage of labour employed by consignees than to failure of the railways' own resources. The general shortage of labour due to enlistment has, it may be explained, reacted at every point upon railway work. Dock labour is short, transport labour is short, warehouse labour is short, and every local shortage intensifies the pressure upon the railway staff, which has itself been considerably depleted from the same cause. From the Great Eastern Railway alone over 3,700 men, or about 12 per cent. of the total staff, have joined the colours.

Except in a few unimportant local instances we have made no diminution in the facilities offered for merchandise traffic, and, at the time of writing, they are fairly normal.

Traders now are generally experiencing more expeditious railway transit than at any time since the advent of the war.

If any trader feels deterred from taking advantage of the returning confidence in commercial circles by the thought that he may be faced with difficulties in railway transport, let me assure him that he is labouring under a delusion ; apart from military movements and a few local exceptions, all will be as usual. The

railways are meeting the needs of the business community as capably as ever, and they are well able to cope with any extension of trade that may come along, especially as, with the lengthening of the days and the coming of warmer weather, the heavy coal traffic, which has been one of their great handicaps, will be considerably reduced.

There is another matter on which I may perhaps say a word. From time to time complaints are heard respecting heavy freight charges made by the British railways and alleged preferential treatment of traffic from abroad. Three observations may be made on this point. Firstly, it is often forgotten that railway journeys in this country are, on the average, shorter than they are abroad, which means that the expenses per mile of handling freight are greater. Secondly, goods from abroad are, generally speaking, consigned in large bulk, thereby involving the minimum of trouble in handling and delivery ; whereas goods dispatched and delivered in this country often consist of comparatively small consignments, and are therefore more costly to handle. This accounts for the fact that it sometimes costs less to receive goods from abroad than from a nearer point in the United Kingdom. Thirdly, lower rates could frequently be obtained if there were more co-operative trading on the part of scattered industries such as those connected with agriculture.

Very much more might be done in the direction of co-operation. Success has attended the movement in France, in Denmark, in Hungary, and so far as East

Anglia is concerned, the egg dealers of Suffolk have set a notable example. An organisation has been set up whereby eggs are collected from scattered farms and graded at the point of concentration. Thus they have a better market value, and, owing to transit in bulk, secure comparatively low freights. Bearing in mind the special circumstances to which I have alluded—short rail journeys and consequently heavy working expenses—this question of co-operation is, certainly one to which traders should turn their attention.

And they may depend upon receiving every encouragement from the railway companies. If any proof of our anxiety to work hand in hand with the trading community were needed, I might be pardoned for pointing to what the Great Eastern is doing at Ipswich. Recently the derelict Diessel Engine Works there have been acquired by Messrs. Vickers, Son and Maxim, and in close proximity the manufacture of manganese bronze will probably be started shortly. Consequently we have put in hand big improvements in our railway facilities, with the result that Ipswich is in a fair way to becoming a more important and flourishing town than ever.

Those who reside in the district served by the Great Eastern Railway will have noticed the posters we are exhibiting drawing attention to the facilities offered by East Anglia for the erection of factories and workshops and our willingness to assist in finding sites. "Am I obtaining my share of the enemy's trade?" is a question that every business man should be asking himself just now.



[Van Dyk.



## CHAPTER LV

A REVIEW OF THE SERIES

BY H. SIMONIS

EVERY business man is a pilot in a difficult channel. Hitherto he has had to set a course by the compass of his own experience. In August, 1914, the business beats encountered the greatest storm in history. Very many were swept away before it, a large number drifted in the gale and were finally shipwrecked, but hundreds, very fortunately, steamed out into the

face of the hurricane and were steered rapidly into calm waters.

We have come upon new soundings and the waters are deeper and fiercer. All the easy-going methods have been thrown overboard with the theories and prejudices which were comparatively harmless before the whirlwind broke. They will never serve again. The mapping of a course day by day in an amateur fashion will spell disaster in future.

Fortunately, we have a series of charts drawn by master craftsmen to guide us in the difficult days ahead. They will answer every emergency because they were used to weather the great storm, and brought the various business ships into the harbour of success.

When the first fury of the storm abated *The Daily News* invited a representative number of the leading business men to write articles describing the experiences and the methods they adopted to save their businesses. They were also invited to give their advice and opinions concerning the future. These are the charts which the business man now has at command.

It was my own opinion, based upon an experience of over twenty-one years with the amalgamated *Daily News and Leader*, during which I was associated with the expenditure of well over a million pounds on forceful trading methods, that the principles which had ensured success in the past would serve to overcome the unusual difficulties created by the war, and would form the foundation for success in the future. The unanimous verdict of all the writers in this book is that the business man who takes full advantage of

the resources at his command has nothing to fear either now or in the future.

The alternative is equally clear. If a business does not go forward it must go backward. There can be no such thing as standing still. Prudent expenditure is, of course, highly desirable, but to cut down expenditure completely is like trying to drive a motor without petrol. It comes to a standstill.

Some firms I know of cut down their publicity expenditure to a minimum, and I have reason to believe that they will bitterly regret their action. On the other hand, several manufacturers I have in mind courageously advertised "as usual" during the war crisis, and are now busier than they have ever been in their whole experience.

The war has performed one great service. It has purged inefficiency, and it has given the business men the benefit of the advice of men whose names are synonymous with business sagacity in its highest form.

There can be no doubt that this great opportunity will be taken full advantage of. "Push and go" is the motto of the day, and "Efficiency" is the business watchword. The "push," however, must be in the right direction or the "go" will be "go under" and not "go on." This is recognised clearly to-day, and there is a general determination to prepare for the immediate capture of more trade by following the advice of those who are most competent to give it.

This was proved by the immediate popularity of the articles. Shoals of letters were received by *The*

*Daily News* congratulating the paper on the series, making suggestions, applying for permission to reprint in other newspapers and in trade journals, and asking for the publication of the articles in book form. These requests were complied with, and as a result business men are enabled to avail themselves of the experience of a representative number of the Great Captains of industry in permanent form for the modest price of one shilling.

It is certain that the cost of this book will prove the finest investment which any business man can make. He will find the highest guidance to successful salesmanship, organisation, enterprise, the laying of business foundations, the building of solid trade, and the psychology and philosophy of business generally. In every separate chapter he will find without difficulty a seed which he can plant with full confidence that it is a "tested variety," and will form part of a rich harvest.

Briefly, the lesson of this book is that at all times there are opportunities for capturing increased trade. Every great business firm has a double problem—to hold its own trade and to obtain what extra trade it can. This book shows how the business bulldog can keep its grip on its own share of commerce, and when that is secured wrest a further share from its rivals.

It should be emphasised, however, that the book is intended for use in the little business as well as in the big one. The small trader of to-day is the big merchant of to-morrow. For the man who has energy and knows how to take advantage of the experience of

others, the present times are full of promise. Such a man reading these chapters will see how in the time of crisis when all firms, large and small, were, so to speak, compelled to start again, the principles which had ensured success in the past were successfully applied to meet the situation.\* He will see how the judicious use of publicity brought astonishing results, and solved the most serious problems. He will learn how the weaknesses of organisation can be remedied, and in addition to a general review of the principles of success, he will have before him for continual use and reference a guide to the actual practical methods which enabled enormous results to be accomplished with comparatively small outlay.

Of equal importance to him is the fact that in this book he will also find references to common mistakes in business and in the uses of publicity, a knowledge of which will enable him to avoid the rocks upon which so many promising ventures have been wrecked through ignorance.

In short, this guide to "Success in Business" should prove an indispensable help to the best methods by which business men of all kinds can seize their opportunities to capture increased trade at a time when energy and enterprise will reap their full reward.

## REFERENCE

